The China Weekly
REVIEW
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A Weekly Newspaper Established in 1917

April 29, 1939

U. S. Fleet Back in Pacific
AN EDITORIAL

A Munich Peace for China?
EDITORIAL CORRESPONDENCE

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BY RICHARD HALLIBURTON

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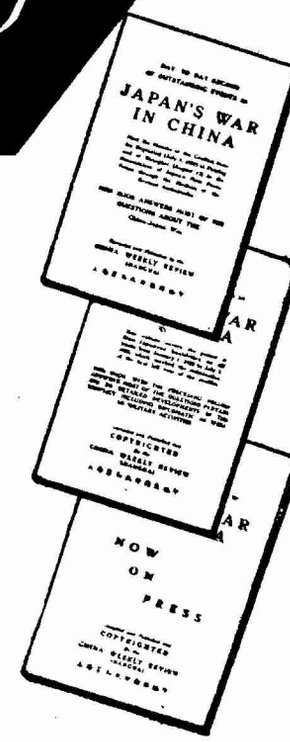
The Undeclared War



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What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review*.

INDEPENDENT NEWS

To the Editor:

I notice in your editorial, headed "The Consular Authorities and the Japanese Drive Against Press-Freedom," published in **The China Weekly Review** of Saturday, April 22, certain remarks suggesting that **Reuters** is no longer an independent news agency.

The editorial says: "Aside from the reports brought here (Shanghai) by the American **United Press** service ..... there is no independent news report brought to Shanghai or China generally. Even the British **Reuters** service, once independent, is now subject to a certain measure of official control, resulting from financial support received from Government sources."

While I do not wish to detract in any way from the editorial's tributes to the **United Press** service, I must protest most emphatically against the allegation that the independence of **Reuters** has in any way been affected by the recent receipt of Government assistance. There is no truth whatever in such an allegation.

This was made abundantly clear in the debate on March 21, 1939, in the House of Commons in London. Lieut.-Commander Fletcher (of the Labour Party, Opposition), who opened the debate, specifically asserted that he made "no attack upon the business principles or integrity of **Reuters**, nor do I associate myself with any suggestion of partiality on the part of **Reuters**." He added that he would like the Government to vindicate **Reuters'** independence as in various parts of the world "news agencies are taking advantage of this payment on the ground that **Reuters** receive a subsidy from the Government."

Mr. Samuel Storey, a director of **Reuters**, who followed Lieut.-Commander Fletcher in the debate, explained that "the only condition on which **Reuters** were willing to accept assistance from the Government was that they undertook nothing in return except to increase the amount of news distributed. **Reuters** maintained complete independence in the collection and selection of their news." **Reuters**, he added, were only prepared to accept the Government's small offer of assistance as they realised the importance to Britain of more British world news being represented "through British, and not through foreign, eyes."

Mr. R. A. Butler, Under-Secretary of State for Foreign Affairs, who concluded the debate, said that the assistance given to **Reuters** had the sole aim of securing publication of more British news. "The contents of **Reuters** services have been left entirely free," he added.

Perhaps it would simplify the general conception of this problem if I point out that the assistance granted by the Government to **Reuters** is, in effect, nothing more than a means of reducing the heavy costs of transmission with which **Reuters** normally have to compete. The result is virtually only the same as passing on to **Reuters** the benefit of lower communications charges, similar to those enjoyed by other independent news agencies outside of **Britain.**

I would be obliged if you would publish this letter in the next issue of **The China Weekly Review.**

K. SELBY-WALKER,

Acting General Manager for the Far East, **Reuters** Limited.

Shanghai, April 24, 1939.

*
**

(Editorial Note: "The China Weekly Review" does not wish to infer that "Reuters" has completely lost its independence as a result of the British Government subsidy. It, however, considers it significant that it was the French "Havas News Agency," not "Reuters," which, according to local newsmen, carried complete reports of the speeches made during the current session of Parliament by leaders of the Opposition.)

AFFAIR OF THE FLAGS

To the Editor:

One think striking me seriously this morning is the raising of the Chinese national flag in the French Concession.

Today, as you know, we Chinese were celebrating the Spiritual Mobilization Day established by Gen. Chiang Kai-shek by raising the National Flag. But unfortunately the French police intervened and insisted that the flags be hauled down.

Despite protests, the French police forcibly seized many flags. I hope your "third party" nation will come out for justice and the welfare of China.

P. H. ALFRED WANG

Shanghai, April 19, 1939

ON DICTATORS

To the Editor:

The dictator is the product of social revolution who has blasted his way to power, and maintains it by terror and assassination. He silences the voice of the people, whose representatives are mere nonentities. He is the law and judge from whom there is no court of appeal. He sentences thousands to death, including those who have helped

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Formerly Millard's Review

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J. B. POWELL, *Editor and Publisher*

C. FRANK GLASS, *Assistant Editor* HOH CHIH-HSIANG, *Editorial Dept.*

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him to power, but he lives momentarily in fear of the fate to which he has assigned others. The toll of deaths in the blood-purge of June, 1934, amounted to hundreds, including General von Schleicher and Hitler's only friend, Captain Roehm. One after another, Hitler has eliminated those who have helped him up the ladder.

Kemal Ataturk signed death warrants for friends and foes as fast as the hangman could place them before him. As dawn broke over a dance given by Kemal for the foreign envoys and loveliest ladies of the Capital, a messenger, who came from a mass execution four miles distant, announced to the festive company that the body of the last victim had ceased to twitch.

Each dictator has his own gang of killers at home and abroad, acting under orders from headquarters. Mussolini ordered the murder of his opponents, Matteotti and Carlo Rosselli. Seventeen hundred men, women and children were shot and clubbed to death at Addis Ababa by Italian soldiers, who had been taught by the Fascist creed to "live dangerously." The aviator son of the Roman megalomaniac described the bombing of villagers as "great fun." Quite so, when there is no opponent. But the same soldiers, we have noticed, are not so hot in the front-line trenches, except when the bugle sounds "The Retreat."

The Emperor of Japan is called "The Son of Heaven." In war-torn China, the soldiers of the "Son of Heaven" hold Chinese girls in captivity and rape them five to ten times a day. They are released only when they are physical wrecks.

A million lives have been sacrificed in Russia by the Bolsheviki. The firing squad works daily. Among recent victims is Russia's best soldier, Tukhachevsky. Meanwhile, Stalin The Bloody slinks along underground tunnels in mortal fear of vengeance and retribution.

For 200 years the Jews helped to create the culture, to further the economic development, and to advance the fame of the countries which now assassinate them. The fate of the Jews today will be the fate of others tomorrow.

Justice is a by-word in the dictator ideology. Our hearts go out to the victims of tyranny in so many lands. Our hope is that we may be able to arouse the conscience of the civilized world to a realization of the enormity of the crimes committed. The victims of Europe's folly look out upon a cold and selfish world, and know not which way to turn.

F. E. BURNHAM.
Brigadier-General.

Halcyon Hot Springs,
Arrow Lakes, B.C.,
March 25, 1939

EAST AND WEST

To the Editor:

You know, I pine for the Far East, where life is frank, and people lay their cards on the table, and politicians don't hide behind the bush, or politely break their word of honor. Here in the Occident there is only intrigue, double-crossing, reading between the lines and never meaning what you say.

The truth of the matter is I think I must have fallen through a looking glass one night while sipping one of those French armagnacs, and now I'm in a contrary, upsidedown world. A world in which a Premier receives more power in comparison with the greater failures he makes, and where the dictionary is a tricky book of antonyms, with each word meaning the opposite to what the definition says!

The greater the diplomatic failure, the greater the demand for secret diplomacy! So many newspapers in France obtain money from Germany and Italy. In China, at least, they only accept Japanese money by durance. Here the Gringoire, for instance, reads like a Paris edition of the Angriff!

Truly, the basic democracy of the people of France and England must be deeply-seated, indeed, for them still to remain democratic in spite of the double-crossing they receive from the political leaders they trust and the publishers who get out their newspapers.

If it weren't for this public, Chamberlain and Bonnet would still be appeasing Germany and Italy. The fact that the appeasement policy has smashed to pieces would only encourage them: for they'd give all the pieces to Berlin and Rome.

H. E.

Paris, April 4, 1939.

A FEARFUL MESS!

To the Editor:

Prophesy about European affairs at present is foolish, but I can't see the possibility of a general war just yet. If the British and the French can persuade Germany to blow off more steam toward the east, they won't interfere until they feel stronger. But it is a fearful mess, and depressing to watch. It's even more depressing, however, to read the hysterical outbursts of Americans who urge us to leap into European power politics without delay, and save Europe all over again from its own folly. I suppose that Japan hopes and prays for a general European war in which America is involved, so she can consolidate herself in Asia. Am I right?

D.

Paris, March 29, 1939

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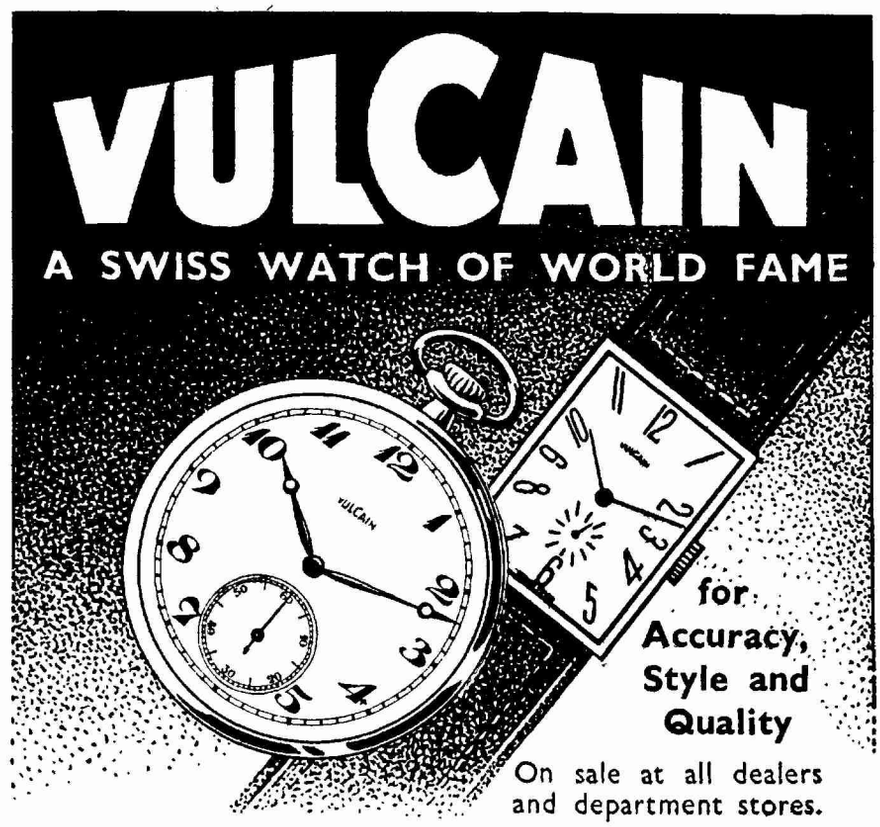

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Transfer of Fleet and Return of Ambassador Linked with U. S. "Power" Politics

THE decision of the Government to transfer the U. S. Fleet from the Atlantic, where it had been engaged in maneuvers, to the Pacific—announced immediately after President Roosevelt had dispatched his appeals to Hitler and Mussolini —constituted America's major and most potent move in the present dangerous game of "power politics."

The instructions issued to Ambassador Nelson T. Johnson to cut short his vacation and return to his post at Chungking also constituted a not-unimportant phase of objectives connected with the sudden transfer of the Fleet. Mr. Johnson is scheduled to sail from the Pacific Coast on May 1.

That the Japanese are aware of the significance of the foregoing developments was indicated in editorial comment in the Tokyo *Hochi Shimbun* on April 24, to the effect that the transfer of the Fleet "would not interfere with Japan's plans for southward expansion." Interpreting the fleet transfer as a threat against Japan, the paper declared:

> "It is now obvious what importance the United States attaches to Japan's southward policy and how anxious America is to prevent its enforcement . . . . But if the United States thinks the transfer of her Fleet to the Pacific will restrain Japan's actions, nothing could be more mistaken . . . . This will aggravate instead of easing the situation. We regret America's increasingly challenging actions . . . ."

The actual transfer of the Fleet through the Panama Canal is now in progress, a movement of tremendous magnitude involving 120 warships and additional auxiliary craft. Including the three days necessary for the fleet to pass through the Canal, the movement from the north Atlantic coast to Pacific coast bases was not expected to require more than 12 or 13 days. Approximately 56 ships will remain in the Atlantic, including the new Atlantic Squadron.

A strange interlude in Pacific politics was provided by the elaborate ceremonials concerned with the official formal funeral of the late Japanese Ambassador to the United States, Hiroshi Saito, who died in Washington. Mr. Saito's body was transported to Japan on the U. S. Cruiser Astoria, an unusual honor. While there was a precedent for this in Japan's action, several years ago, in transporting the remains of the American Ambassador, Mr. Bancroft, who died in Japan, to the United States, this probably did not account fully for the present action. The U. S. Ambassador to Japan, Joseph C. Grew, in the course of a memorial address at the Saito funeral, referred to the efforts of the late Ambassador to promote peace between the two countries. Mr. Grew declared,

> "In all of his work in America, Mr. Saito proceeded on the fundamental assumption that there is no irreconcilable divergence in the interests of our two nations and without being in the minutest degree the less loyal to his Government or less effective in its service, he labored whole-heartedly to the end that his country and America, that he had come to love, should remain forever in concord . . . . As a statesman, cultured gentleman and devoted patriot who served his country well, Horoshi Saito's name will live long in the annals of Japanese diplomacy as it will live in the hearts of the American people."

To realize the import of Ambassador Grew's words, it must be realized that military elements in Japan were constantly at odds with Ambassador Saito throughout the period of his residence in Washington! The incidence of the formal funeral provided opportunity for the United States Government to honor a non-military official who had worked for peace between the two countries.

Ambassador Joseph Clark Grew, stationed in Tokyo for the last seven years, lauded the late Ambassador Saito's efforts on behalf of peace. Ambassador Grew is scheduled to return to Washington shortly for a conference with Secretary of State Cordell Hull and President Roosevelt on the situation in the Far East.

On April 16, day it was announced that Roosevelt had sent a peace message to Hitler and Mussolini and the U. S. Fleet was ordered to the Pacific, it was disclosed in Tokyo that Japan was trying to negotiate an agreement with Germany and Italy whereby the three Powers would help each other with airplanes, munitions and manufacturing privileges in the event of an outbreak of a second world war. The new agreement, referred to as a "strengthening of the Anti-Comintern" agreement, was generally regarded as preparation for a general military alliance of the Totalitarian States against the Democracies. Although the Japanese have tried desperately to keep the details secret, the following points were supposed to be included in the proposed agreement:

1.—The privilege of obtaining up-to-date airplanes from Italy.

2.—Munitions from Germany.

3.—Concessions to operate airplane factories in Germany, thus turning out her own planes and at the same time learning the business.

In return Japan is willing to give Japan and Germany concessions in China.

The difficulties which have been encountered are:

1.—Italy is hesitant about selling late model planes to Japan and wants cash for what she sells.

2.—Germany is willing to give Japan operation rights in some factories, but not the modern, up-to-date plants which Japan desires.

3.—Each party to the negotiations is anxious to obtain foreign exchange and loath to part with it.

The secret negotiations, which have been in progress in Tokyo for a considerable period, have been responsible for the mysterious rumors that Japan, in her desperate attempt to obtain military supplies in the event of an American embargo, had offered to restore to Germany the Port of Tsingtao and the old German Concessions at Tientsin and Hankow and also, allegedly, the mandated islands in the South Pacific!

According to *United Press* report from Tokyo, the Japanese Ambassador in Berlin, General Toshio Oshima, who actually was the appointee of the Tokyo military general staff, had already committed Japan to the preliminary stages of a military alliance with European dictators. This action has caused considerable embarassment because there are other rumors in circulation now, to the effect that Japan—if sufficient inducements are forthcoming—might agree to make compromises with Great Britain concerned with the protection of their mutual interests in China! This is alleged to have constituted the chief subject of conversation between Ambassadors Craigie and Kerr in Shanghai recently.

In some circles there was thought to be similarity between the present situation and that which preceded the signing of the Anglo-Japanese Alliance. Prior to reaching an agreement with Britain, Japan, on that occasion, had negotiated secretly with both Germany and Russia!

JAPAN AND U. S. NEUTRALITY

While these practical developments in the field of power politics were taking place, the U. S. Senate Foreign Relations Committee continued its hearings on the subject of revising or amending the Neutrality Act and here again the Japanese issue constituted a subject of controversy, so serious that it was rumored the present session of Congress might not be able to agree upon a new neutrality measure. According to latest reports from Washington, opinion seemed to favor action which would aid Great Britain and France on the European side, but which would, at the same time restrain Japan and force that nation to return to observance of the Nine-Power Treaty and other commitments concerning China.

It was thought that the outcome of the present hearings before the foreign relations committees of the Senate and House would be a major proposal to amend the Neutrality Act in such manner that Britain and France would be strengthened in their opposition to the Totalitarian Powers—and a supplementary bill would be enacted applying economic pressure against Japan. Such an act would offset advantages which Japan might gain from the passage of legislation designed to help Britain and France against Germany and Italy. Fear was expressed, however, that the proposed neutrality legislation might have the effect, due to China's lack of sea-power, of practically depriving China of access to the American market.

Of greatest significance was an address by the Secretary of Agriculture, Henry Wallace, warning the nation that isolation for the United States is no longer possible. He urged the democracies to make common cause of preserving world peace.

It was announced that the Senate Foreign Relations Committee, following conclusion of the public hearings, probably would begin private deliberations with the object of composing sharp differences which have developed within the Committee over the proposals of the chairman, Senator Key Pittman.

Public hearings, which have been in progress for more than two weeks, have offered opportunity for the expression of a wide range of opinion on the subject of future American policy in the event of a war crisis. Of special interest was the presentation of a petition containing the signatures of 175,000 residents of New York State, who urged the U. S. Government to restrict the supply of war materials to Japan.

Dr. Raymond Leslie Buell, president of the Foreign Policy Association, in testifying before the Senate Committee, endorsed the proposed neutrality legislation, but

Of Service In Good Weather, But . . .

St. Louis Post-Dispatch.

urged Congress to "make an exception in the Orient where Japan would, otherwise, derive great advantage from such legislation." He recommended that Congress should deal with the situation in China separately "because of the Open Door, the Washington Conference Treaties, the U. S. position in the Philippines, and the traditional U. S. interest in humanitarian activities in China." Dr. Walter Judd, medical missionary long resident in China, told the Foreign Relations Committee of the House that the United States, as a result of its vast sales of war materials to Japan, had acted as Japan's "major ally" in the war against China. He said that Japan's violation of the Nine-Power Treaty provided ample grounds for denying Japan access to American resources. Japan's invasion of China, he declared, was a "deliberate and cold-blooded attempt to wreck a civilization." He predicted that in the event of Japan's conquest of China, the Nipponese would turn next to the Netherlands Indies and the Philippines—unless one or more of the major powers intervened.

Senator Pittman, in an address before the Committee (*Reuter* from Washington, April 13) said that he would support a policy of treating Japan as a violator of the Nine-Power pact, whose signatories were pledged to respect China's territorial integrity. He said that he was studying economic measures which the United States might take in an attempt to force Japan "to end violation of American rights in China."

The *Ta Kung Pao*, leading newspaper at Chungking, expressed the fear that President Roosevelt had made a "gross mistake" in overlooking China in connection with discussions concerning collective security with Britain and France and Russia. However, Quo Tai-chi, Ambassador to London, expressed the opinion that Roosevelt had been equally emphatic about Asia as he was about Europe. Emphasis was placed on the important point that China had been resisting aggression for 22 months.

Belief was prevalent in Washington that President Roosevelt would be forced shortly to make some definite move with respect to conditions in the Pacific as an inevitable outgrowth of his peace proposals in Europe. Japan's position would be greatly weakened, it was thought, in the event Hitler and Mussolini finally agreed to participate in an international conference.

Dr. Charles Fenwick, Professor of Political Science at Bryn Mawr College, in testifying before the Committee, urged support of a resolution proposed by Senator Thomas providing an embargo on American trade with warring nations and nations violating treaties with the United States. Dr. Fenwick declared that Japan's war machine "would bog down within a fortnight, if the embargo were applied against Japan." He declared that more harm had been done to international law and order by American cooperation with Japan—through sale of war materials—than had been done by the same acts by dictators. Norman Thomas, Socialist leader, urged members of Congress not to give the President any further discretion in the application of neutrality laws. He said that the refusal to enforce the present Neutrality Law, on the ground it would hurt China, was hypocritical because "in reality, the United States had become Japan's partner by supplying more than 50 percent of the raw materials necessary for the continuance of Japan's invasion of China." He warned than an economic war would lead to military hostilities and declared that the United States might shortly find itself more preoccupied with Japan than with Germany because of our "unnecessarily vulnerable position in the Philippines to which we should have granted complete independence long ago."

Sumner Welles, Under-Secretary of State, lodged a strong protest with the Japanese Government over restrictions on the movements of Americans in the Yangtsze area. The protest was made over refusal of the Japanese military and naval authorities to grant landing privileges to American citizens who desired to proceed to Hankow on the recent trip of Admiral Harry E. Yarnell to the Central Yangtsze port.

NAVAL PUBLIC WORKS BILLS PASSED

Interest in the proposal to develop naval and air-base facilities at Guam was revived on April 14 when the House of Representatives passed an appropriation of U. S. $45,024,000 for naval station requirements, including the construction of officers' quarters and a recreational center at Tutuila, Samoa, a naval hospital at Guam and a naval radio station at Dutch Harbor, Aleutian Islands, Alaska. In connection with the Guam project it was forecasted that improvements in the Guam harbor, greatly needed for aviation landing purposes, would be provided in the Harbors and Rivers Bill now pending in both houses. According to *United Press* (April 21) the Guam fortification question will be taken up again in a separate bill and the deletion of the proposal from the Vincent Naval and Air-Base Bill has not settled the issue. The Vinson Bill, now expanded to include expenditures of U. S. $66,800,000, has been approved by both houses of Congress and has been sent to the President for signature. The House also approved a measure for the construction of a graving dock at Pearl Harbor, Hawaii, estimated to cost $8,500,000.

Senator David I Walsh, chairman of the Senate Naval Affairs Committee, called for a further expansion of the Navy, declaring, "We can no longer adequately defend a two-ocean nation with a one-ocean navy."

Representative Charles Kramer, Democrat of California, introduced two bills in Congress on April 19 which he declared were designed to compel Japanese fishermen on the U. S. West Coast to "fish for fish and not for any other purpose." The bills would call for closer supervision of Japanese fishing activities, curtail espionage activities and would make the registration of Japanese ships under American laws an impossibility. Similar legislation has also been introduced in the Philippine Legislature.

THE JAPANESE "COLONIAL SET-UP" IN OCCUPIED CHINA

IN last week's issue of *The Review* (Page 224 and following) there appeared an article of unusual significance giving an outline of the frame-work for a "colonial" administration on Chinese soil which the Japanese Army is now setting up under the guise of the so-called "Asia Development Board," or, to use its other name, "China Affairs Board," which will have branches or liaison agencies at Kalgan, Peiping, Shanghai and Amoy. This organization, entirely staffed with Army and Navy officers, will have charge of all matters "concerned with political, economic and cultural activities in China." The article on this subject published last week, gave the names of the generals and admirals who will have charge of the various liaison agencies of the China Affairs Board.

Aside from the China Affairs Board and its military personnel in China, there are numerous other Japanese organizations which are functioning in China such as the North China Development Company, Central China Development Company, the puppet Federal Reserve Bank and numerous other organizations. A Japanese writer named Setsuo Sugawara, in discussing the Japanese set-up in China, (*Tokyo Hanashi* for April) admitted that the Japanese Army "is, of course, the driving force of Japan's continental works." Following this statement, Mr. Sugawara, however, gave the following information about Japanese organizations and personnel which is functioning on the Continent:

"In Peking there are two influential figures with ranks considered equal to a State Minister. They are Hachisaburo Hirao, supreme adviser to the Army forces in North China, and Sonyu Otani, president of the North China Development Company. Theirs are too well-known names to require any further explanation in this cursory survey.

"Under President Otani of the North China concern, Tsunero Yamanishi and Tomotsune Kammuchi are vice-presidents. Both are in service on the spot, while Otani usually is in Tokyo. Yamanishi, who formerly identified himself with the Fushun Coal Mine and the Showa Steel Works in Manchukuo, is an expert on heavy industries and one of the ablest men in the South Manchuria Railway Company. In contrast, Kammuchi, coming from the Finance Ministry, is a capable financier. He was for years director of the Yokohama Customs Office, and then appointed as director of the S.M.R. Company.

"Among directors of the North China Development Company, Kiyomatsu Bekuya and Shigeji Moriguchi cut splendid figures. The former is a man of Mitsubishi extraction, and it is he that caused the Mitsubishi organization to turn its attention to the Continent and to undertake various enterprises along the lines of national policy. Moriguchi, upon retirement from Kyoto Imperial University, assumed the directorship of the Kyoto Chamber of Commerce and Industry. Being a scholar of clear intelligence and deep insight, much is expected of him.

"Kwanji Usami, president of the North China Transportation Company, also comes from the S.M.R. Company. Although he is not a technician, he is versed in railway administration. On the occasion of the Manchuria Incident, he played an important role by cooperating with the Army forces in the campaign in North Manchuria. Having filled many key posts of the S.M.R. interests, he was appointed in 1933 as director of the firm and concurrently chief of its railway general directorate. He represented his company in negotiations with the Soviet Union for transfer to Manchukuo of the Chinese Eastern Railway. Before his appointment to the present post, he was director of the North China General Bureau of the S.M.R. Company.

"Michio Yuzawa and Shigeo Odate are advisers to the Provisional Government of the Republic of China at Peking. Yuzawa is an authority on internal administration, and Odate an expert on legislation. Both were formerly officials of the Home Ministry, and Odate later was invited by the Manchukuo Government.

"Among Japanese diplomats resident in North China, mention must be made of Kanji Horiuchi, Consul-General and concurrently Councillor of the Japanese Embassy at Peking, who is said to have a wide knowledge of finance and economics in China and is a strong advocate of Sino-Japanese economic cooperation; of Ribin Akiyama, First Secretary, who is such a spirited young man as is seldom seen in the Kasumigaseki realm; and of Shigenori Tashiro, Consul-General at Tientsin, who was promoted to this post from a sectional chief in the Information Bureau of the Foreign Ministry.

"In the field of finance, Moichiro Saito, manager of the Tientsin branch of the Bank of Chosen, Nishiro Kawamura, manager of the Tientsin branch of the Yokohama Specie Bank, and Seiei Nakano, manager of the Peking branch of the Bank of Chosen, are worth mentioning even in a short review like this. Saito achieved a fine stroke of business in withdrawing Bank of Chosen notes from wide circulation in North China in the wake of the Manchurian Incident. He is now President of the Japanese Chamber of Commerce and Industry in Tientsin. Kawamura's service for inauguration of the new currency in Manchukuo is greatly appreciated.

"But by far the most influential figure in this field is Kiichi Sakatani, Vice-Governor of the Federal Reserve Bank of China. Having assumed important posts at home and abroad of the Bank of Japan, his knowledge of finance and exchange is indeed wide and deep. Later he entered the Communications Ministry. And when he was director of the Colonization Bureau of that Ministry, he was invited to Manchukuo by Tokuzo Komai, ex-director of the General Affairs Board of the Hsinking Government, under whom he, together with Chuichi Ohashi and Jun Kikutake, formed a noted trio in the Manchukuo Government. Later he succeeded Komai as director of the General Affairs Board. Upon establishment of the Bank of Manchu, he was appointed as director of the bank, and he contributed much toward the successful inauguration of the new currency. Then he assumed the post of director of the Industry Department of the S.M.R. Company. Having such long and wide experiences in development works of Manchukuo, he seems to have firm confidence in his new task in North China.

"Two Japanese officials, Saburo Hayakawa and Takeo Tanaka, are holding important positions in the Hsinman-hui (New People Society) which has been created by the Provisional Government of Peking to effect complete reflection of the people's will in its actual administration. Hayakawa, after having filled the posts of governors in several prefectures, was appointed Superintendent-General of the Metropolitan Police Board late under the Hirota Cabinet. He is an out-and-out bureaucrat. In contrast, Tanaka is a man of hot-blooded spirit and affectionate character, although he was charged with the police affairs in Korea under the Ugaki administration there. Thus, he seems to enjoy a greater popularity than his associate in North China. Mention is to be made also of Kaisaku Ozawa, who is now assisting Hayakawa and who was one of the promoters of the Kyowa-kai (Concordia Society) of Manchukuo, on which the above-mentioned New People Society was set up; and of Dr. Shigetomo Saegusa and Dr. Seijiro Takikawa, both of whom are professors at the Hsinmin College at Peking and are theoretical expounders of the Hsinmin principle.

"In Shantung Province Koichi Nishida, who was for many years Consul-General at Tsinan, is now the highest adviser to the local Government. He had such intimate relations with the late Marshal Han Fu-chu that many people considered that had he been in Tsinan in those days, he would have succeeded in winning the latter over to Japan's side. Seijiro Tanaka, of the Shantung Mining Company, is a leader of Japanese business circles in this province. He is now scheduled to take the directorship of the Research Bureau of the S.M.R. Company. Gaku Arino and Denjiro Kato are Consuls-General respectively at Chinan and Tsingtao.

"Seibun Yaginuma, noted for his poem on the anti-banditry expedition in Manchukuo, is now a dean of the pacification corps in North China. Being a spirited poet, he naturally has deep sympathy with the Chinese masses and fiery hatred against the Chiang Kai-shek Government and the Communists. Nobody is more suitable than he as leader of the pacification works.

"In the Mongolian Border Provinces Dr. Shoji Kanei supreme adviser to the Mengchiang Joint Commission (Mengchiang means the Mongolian Border), cuts an excellent figure. He is by profession a physician. He specialized in bacteriology and later became much interested in racial psychology. And his research on the latter subject led him to take up later the practical side of the racial problems in East Asia. During the World War he was staying in London for study, and while he watched carefully political and social events in Great Britain, his interest in racial problems was deepened and gradually switched to politics. Then he stayed for two years at Geneva as committeeman on insurance in the League of Nations. Upon return home, he took the chair of bacteriology at Keio University. Before long he was invited to the S.M.R. Company and assumed the post of chief of the hygiene section of the firm. Thus, the time came for him to adapt his scientific researches to actualities and to translate his ideals into action.

"His first achievement in Manchuria was the organization of the Manchuria Young Men's League which later proved a prototype of the Concordia Society in Manchukuo. At the time of the Manchurian Incident, he, with this League under his guidance, cooperated fully with the Army. Since the founding of the Manchukuo Empire he has quit completely his original field of activity, thereby filling such important posts as director of the general affairs bureau in both Fengtien and Pinkiang Provinces and Governor of Chientao Province. Incidentally, he was the first Japanese assuming a provincial governorship in the new State. Although he strongly stood for the cause of racial determination while he was at Geneva, he is now advocating something like racial harmony, charging on the other hand the racial determination principle as being liable to stir up international complications.

"Upon the outbreak of the current Sino-Japanese hostilities, he entered Chahar Province together with the first line of the Army forces, and played an important role in establishing the Mengchiang Bank and urging the three autonomous regimes there to form their Joint Commission at Kalgan. It is mostly to his credit that peace and order have been maintained more perfectly and economic development has been carried out more smoothly than in any other part of the occupied zones.

"Other Japanese playing their parts in this area are Consul-General Shohei Morioka at Kalgan, Vice-Governor Hideo Terasaki of the Mengchiang Bank, Tamotsu Sekiguchi, adviser to the Mengchiang Joint Commission, and Genjiro Hashimoto, who has some connection or other with the special service section of the Army at Kalgan.

"Kenji Kodama and Kaname Hirasawa, respectively President and Vice-President of the Central China Promotion Company, exert overwhelming influence in Central China. While in the Yokohama Specie Bank, Kodama served for more than 20 years in the bank's branches exclusively in Far Eastern cities, and for this reason he is the best man for his present post. Hirasawa was formerly an official of the Communications Ministry, filling the posts of director of the Electricity Bureau and of Communications Vice-Minister. Inasmuch as gas, electricity, buses and some other public utility facilities must be restored and promoted, first of all, in Central China, much is expected of Hirasawa's knowledge and experience in these lines.

"In the diplomatic service, Councillor Morindo Morishima, Consul-General Yoshiaki Miura at Shanghai, Nagao Kita, chief of the information section, Consul-General Koichi Hori at Nanking, Consul-General Yoshinori Hanawa at Hankow, and Consul-General Aigi Tajiri at Hongkong are wellknown names. Although Interpreter Tozo Shimizu, Vice-Consul Eiichi Iwai and Vice-Consul Seishiro Takahashi are not known so well as the above mentioned, their roles in Japan's diplomacy in China cannot be overlooked because of their long experience and deep knowledge of the Continent.

"The noted trio of Tatsuichiro Funatsu, Masusaburo Amakasu and Seiji Yoshida commands an overwhelming influence in the Japanese community in Shanghai. Funatsu is President of the Association of Japanese Spinners in China. Being originally a diplomat, he assumed in succession the posts of Consul at Hongkong, Consul-General at Tientsin, Shanghai and Mukden, and of Councillor of the Japanese Embassy at Berlin. Amakasu, proprietor of a transportation firm there, has been a resident in the port city since 1919, and is now head of the Resident Japanese Society. His services since the spread of hostilities into this area are highly appreciated by both the Japanese and the Chinese. Yoshida is manager of the Shanghai branch of the Mitsubishi Bank and President of the Japanese Chamber of Commerce and Industry there. He may be considered as someting like a financial adviser to the Renovation Government of Nanking.

"Takeo Ito, of the S.M.R. Company, is said to be the cleverest among the S.M.R. men specializing in China affairs. He gives the impression of being a politician rather than a businessman.

"Among private persons Dr. Seimatsu Inui of the Young Men's Christian Association of Shanghai, Junzaburo Yamada, ex-adviser to the Kuomintang Government, Itsuji Saito, formerly of the Chienkuo College of Manchukuo, and Ainosuke Iwata, of the International Anti-Communist League, are unique figures. Dr. Inui, a good speaker in English and a scholar on international law, enjoys a popularity even among foreign residents in Shanghai, and he is reported to have been entrusted with the management of the Astor Hotel. Yamada is one of the best known among the so-called continental loafers. Having intimate relations with a large number of Chinese, he still is expected to contribute his quota to the continental works in spite of his advanced age.

"Kyuhei Mogi, who was once a member of the Tokyo Municipal Assembly, is now adviser to the Peace Maintenance Commission of Hankow. Because he is a man of resources, he will build up in all likelihood an important position in this part of China.

"Last but not least, the role of Kyukei Munakata, research director of the Bank of Japan and concurrently financial adviser to the Renovation Government, is none the less important at the present moment when the currency problem is assuming serious proportions in Central China. On the contrary, the Finance Ministry has not yet stationed any influential officials there. After having been managers of the branch offices at Okayama, Fukuoka, Kobe and then at London, Munakata was appointed as head of the National Bonds Bureau of the Bank of Japan and was before long promoted to the position of director of the central bank."

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Far East Enters Picture of Diplomatic Machinations as Moscow Demands Guarantee Against Japan

HONGKONG SAID ALARMED AS JAPANESE BUILD AIRDROME NEAR BORDER

A considerable sensation was caused in Hongkong this week by reports that the Japanese are engaged in building a large airdrome at Taiping, close to the border of the British colony, the German Transocean agency reported. Construction work, the agency said, is already believed to be well advanced.

According to the same source, the Hongkong authorities have advised housewives to store canned foodstuffs for use in time of emergency. While the advice was couched in careful language, the population was nevertheless cautioned to be prepared for a crisis.

BY the time these lines appear in print, Chancellor Hitler will have delivered his anxiously-awaited Reichstag speech in which answer is to be made to President Roosevelt's plea for a ten-year peace guarantee. In our last issue, we predicted that Hitler would probably return a "soft answer" and that the Reich, recognizing the formidable coalition being formed by the democratic powers to check further Nazi aggression, would turn its attention for the time being to diplomatic activity in an effort to check any tendency for the smaller European states to line up with the democratic front.

Without anticipating Hitler's remarks, it can be said that this prediction has already received partial confirmation. On April 20, speaking on the subject of the Italian World's Fair which is being planned for 1942 in Rome, Premier Mussolini replied tentatively and in moderate tones to the message of the President of the United States. Since the solidarity of the Rome-Berlin Axis has been repeatedly emphasized, and the identity of views of the Italian and German dictators so often stressed, it is not stretching a point if we assume that Mussolini's remarks, doubtless delivered after a telephone conversation over the wire to Berlin, foreshadowed what Hitler will say.

Mussolini, according to *Transocean*, emphasized that the policy of Italy and of the Axis was one of peace and cooperation. If Italy really intended to "set the world on fire," he said, she would not be undertaking so comprehensive a task as the organization of a World's Fair. Since, in spite of the clouds on the political horizon, Italy took this great task in hand, this should be interpreted as a favorable sign that she did not intend to attack anyone and that she was resolved to continue her peaceful labors.

Equally if not more significant than Mussolini's speech, has been the intense diplomatic activity in Berlin, where negotiations have been conducted with the representatives of states which are among those whose territorial integrity President Roosevelt asked the dictator states to pledge themselves not to violate. Already Berlin has succeeded in getting Greece, Holland, Sweden, Norway, Denmark, Lithuania and (reportedly) ten other countries to declare that they do not feel themselves threatened by German aggression. Italy has extracted an equally complaisant declaration from Yugoslavia. And Hitler has appointed Franz Von Papen, former chancellor and perhaps Germany's ablest diplomat, as the new Reich ambassador to Turkey, obviously to try and offset Anglo-French diplomatic activity at Ankara, which lies directly along the route of Germany's *drang nach osten*.

German diplomatic initiative is furnishing the world with the intriguing spectacle of Anglo-French guarantees, or attempted guarantees, against German aggression, to states which are declaring themselves blithely unaware of any threat from Nazi expansionism. The states lying in the path of the Nazis have shown themselves only too ready to accept the Anglo-French guarantees, since they entail no reciprocal obligations which might embroil them with the Axis, while they may furnish some measure of protection against the ever-hungry Axis powers, at least for a time. The most revealing example is Rumania, whose Foreign Minister, M. Grigor Gafencu was in Berlin last week in connection with the celebration of Hitler's 50th birthday—and, doubtless, more important matters. At the conclusion of his visit, M. Gafencu gave an interview to the *National Zeitung* in which he expressed keen satisfaction with his talks in Berlin, which, he said, had established "a far-reaching identity of views" between Germany and Rumania, to which the *National Zeitung*, obviously inspired thereto, added that "Bucharest has no intention of allowing itself to be drawn into the Anglo-French encirclement plan." None of which is surprising, in view of the fact that Rumania is already a vassal of the Third Reich. What is surprising, however, is the fact that M. Gafencu, having since concluded a visit to London, says that he also succeeded in discovering a "far-reaching identity of views" with the Government of Neville Chamberlain!

Of all the current diplomatic activity, the greatest interest has centered on the negotiations between France and Britain, on the one hand, and Soviet

Greater Germany

Chicago Tribune map.

With the addition of Austria and Czechoslovakia to her domain, Germany boasts the largest population in her history—85,907,464—despite the loss of her colonies.

Russia on the other. Talks have been proceeding simultaneously in London, Paris and Moscow. As late as Mar. 10—less than two months ago!—when he made his widely-reported speech before the 18th Congress of the Communist Party in Moscow, Dictator Stalin had left the door wide open for an agreement with Nazi Germany. By accusing the democratic powers of fomenting a scare regarding plans for an invasion of the Soviet Ukraine—"It looks as if the object of all this fuss was to raise the ire of the Soviet Union against Germany, to poison the atmosphere and to provoke conflict with Germany without any visible grounds for it"—Stalin was inviting Hitler to point the spearhead of his drive to the West, away from the East.

Hitler's reply was prompt, and it was not made in the form of a congress speech. He proceeded to seize Czechoslovakia and Memel, while Hungary, Germany's vassal, took over the Carpathic Ukraine. Rumania was brought under the economic domination of the Reich. Germany's real frontier was advanced by these moves to within 150 miles of Soviet territory. And then Italy moved into Albania.

The Axis powers were thus placed in position where they can choose their next point of attack from a wider range of alternatives. France and Britain are threatened in the Mediterranean, which is the shortest route to their colonial possessions in Africa and the East. For preventing the Axis from growing into a European colossus, Russia's aid is indispensable. Moscow, for its part, no longer hopes to appease Hitler. This is the basis for the military alliance which the three powers—Britain, France and the Soviet Union—are now endeavoring to forge.

Since the Soviet Union is both an European and a Far Eastern power, it was inevitable that the Far East should enter the picture in these negotiations. This may prove an obstacle to the forging of the alliance, since all reports on the subject thus far indicate that Moscow has demanded a guarantee of its Far Eastern frontiers against possible Japanese aggression as the price of Soviet participation in a European alliance against the Axis powers. According to the London *Daily Telegraph*, which states the matter more precisely, "Russia wants help if she is attacked in the rear by Japan while carrying out her obligations in Europe." Political circles in London have expressed the conviction that the British government will never agree to guarantee Soviet Far Eastern frontiers against Japan and it is not considered unlikely that negotiations with Moscow may break down precisely on this question. German commentators recall, in this connection, that the French-Russian alliance entered into prior to 1914 expressly excluded the Far East.

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The Japanese press reacted promptly to the reported Soviet demand for a Far Eastern guarantee by warning Britain against assuming commitments on behalf of the Soviet Union in this part of the world. Japan, the *Kokumin Shimbun* declared on April 22, "may have to reconsider" her attitude towards British rights and interests in China should reported British plans for cooperation with the Soviet Union include the Far East "At this moment, Britain has made known her intention of cooperating with the Soviet Union, not only in Europe, but also in the Far East. This must be construed as indicating that Britain is assisting in the Bolshevization of East Asia by the Soviets. This amounts to provocation directed against Japan."

While Japanese citizens were reading this editorial outburst, Sir Robert Craigie, the British Ambassador in Tokyo, was interviewing the Japanese Foreign Minister, Mr. Hachiro Arita. According to *Reuter*, he merely "gave Mr. Arita the impressions gained during his recent Shanghai visit . . . expressed satisfaction that the personal relations between the British and Japanese authori-

The Bogeyman

ties in Shanghai appeared to have improved during the past year, but voiced great concern that no serious improvement had yet been made in the treatment of British rights and interests in China." The *Domei* version of the interview said that the British envoy received an assurance that the Japanese authorities in China were "hastening to solve various questions involving British rights and interests in occupied territory."

It is not at all unreasonable to suppose that another subject of conversation (which for obvious reasons neither *Reuter* nor *Domei* could be expected to reveal at this juncture) was the projected alliance between Britain, France and the Soviet Union, especially since it has been proposed by Moscow that the Far East be included. This angle of the matter is of intense interest to China. It requires no great perspicacity to see that in view of

the threatening situation in Europe, detachment of Japan from the Nazi-Fascist Axis is likely to become a major aim of democratic diplomacy. But what can the democracies offer Japan as compensation for deserting the alliance of the Anti-Comintern Powers? That remains to be seen, but little imagination is required to envisage China as the major pawn in such a diplomatic game. If, however, Britain and France should align themselves with the Soviet Union in the Far East in order to secure Soviet assistance in the West—as they may well be compelled to do—the patching up of their quarrels with Japan will be that much more difficult.

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AN assertion that Japanese warships will shortly proceed to the Mediterranean as part of the program of fleet exercises, appeared in the Paris newspaper *Le Journal* on Apr. 23. The report, which came from no other source, said that the cruise had been planned for 1938, but was postponed owing to the necessity of keeping all Japan's warships in Far Eastern waters due to the Sino-Japanese hostilities.

Matching Germany's action in moving a naval squadron into Spanish Mediterranean waters last week, the Soviet Baltic Fleet put to sea on Apr. 23 for extensive spring maneuvers, *Transocean* reported from Helsingfors. Participating in the exercises, the agency said, were a large number of submarines and an aircraft carrier stationed near Kronstadt. Maneuvers were being directed by Admiral Leftshenko aboard the battleship *Marat*.

Reports have continued of large British and French naval movements in the Mediterranean, and it is claimed that concentrations of naval forces have altered the balance of power in the Mediterranean in favor of the democracies. British naval maneuvers are now taking place in the eastern part of the sea, with fleet units scheduled to call at Cyprus and at ports in Greece, Palestine and Egypt.

Britain's latest war preparedness move has been the decision to create a Ministry of Supply comparable to the Ministry of Munitions which operated under the direction of Mr. Winston Churchhill during the World War of 1914-18. The new Ministry, which is to be headed by Mr. Edward Leslie-Bergin, now Minister of Transport, will coordinate the functions of the three supply departments of the army, navy and air force.

CONSCRIPTION FOR BRITAIN DECIDED

The British Government has decided to introduce a system of compulsory military service, which, initially, will apply to male citizens between the ages of 18 and 21 years, it was announced Wednesday of this week. The system is expected to provide 350,000 additional men for the army immediately. Opposition of the Labor Party, which recalls the pledge given by Premier Stanley Baldwin that Britain would never adopt conscription in time of peace, is expected to lead to a bitter debate in Parliament before the conscription measure is adopted. The German Government professes to be "unimpressed" by Britain's latest acts of war preparedness.

Early this week, the German press scored the action of the South African Union in sending police reinforcements into the former German colony of South-West Africa. The *Hamburger Fremdenblatt* charged that the Union Government was taking advantage of the present war psychosis to "provoke the inhabitants of South-West Africa to acts which would serve as a pretext for the annexation of the mandated territory and at the same time bring the South African Union into the encirclement front against Germany."

From Paris came a report, attributed to *Ce Soir*, that propaganda for the reincorporation of Gibraltar was being carried on throughout Spain. Return of the international zone at Tangier was also being demanded, the report said. Spanish troop movements in southern Spain were connected with these demands by the Paris press, which saw in the big concentrations of Gen. Franco's troops much more than a mere assembly prior to their return to home garrisons in Spanish Morocco.

Chancellor Hitler's 50th birthday was celebrated in Berlin Apr. 20 with great pomp and circumstance. *Reuter* noted that the only heads of states who failed to send congratulations to the Fuehrer were President Roosevelt and President Albert Lebrun of France. On this occasion, Hitler was made an "honorary citizen" of Danzig, and this act was generally regarded as presaging the return of the Free City to the Reich.

Polish-German friction has been continuing. In addition to alleged persecution of Germans in various parts of Poland, *Transocean* reported from Warsaw Apr. 23 that numerous German publications have been suppressed lately in Polish Upper Silesia and that Germans are being discriminated against in the matter of employment.

THE United States Government still sees hope of averting a general war, Mr. Lynn Edminster, assistant to Secretary of State Cordell Hull, declared in a speech at Minneapolis Apr. 20, *United Press* reported. He said that one of the major considerations inspiring President Roosevelt's peace plea to Hitler and Mussolini was that "there is still time to reverse the fatal course of recent years and months and start back along the road of peace and constructive human endeavor." The United States, he added, is convinced of the necessity for reconstructing international economic relations on "a sound and permanent basis."

New United States penalty duties on German goods became effective at midnight on Apr. 22, *United Press* reported.

The new duties, imposed because of German discrimination against American goods and German aggression in Europe, are expected to bring German exports to the United States to a virtual standstill, the agency said.

During the past two weeks ships from Europe have brought huge quantities of German goods which were rushed into the country to avoid the new penalty duties.

In the Swiss Federal Parliament on Apr. 18, a question was asked whether the government would welcome a restoration of normal relations with the Soviet Union. The government reply was "yes," provided the Soviet Union would undertake to refrain from meddling in the domestic affairs of the Swiss nation. Reference was then made by the government spokesman to the Congress of the Communist Party in Moscow last month. This, the spokesman said, afforded further evidence of the identity of the Soviet Government with the Communist International and showed that Moscow was not prepared to give a pledge of non-interference.

Following the example set by the Daladier government in France, the new Belgian government, headed by Premier Pierlot, and consisting of a Catholic-Liberal coalition, will as one of its first acts seek special powers, *Transocean* reported Apr. 18.

Pravda, Communist Party organ in Moscow, declared Apr. 19 that "every day brings new facts proving that fascist Germany, having reorganized its economy on a war basis, is approaching a severe economic crisis at a rapid pace." The paper said the Reich had exhausted her raw materials and currency for war needs and had not solved the problem of raw material substitutes, "because substitutes are very expensive."

Several steamship lines which normally route their ships from the Far East through the Mediterranean decided last week to send them around the Cape of Good Hope, according to a *Reuter* message from New York. The Cunard, Brocklebank, Isthmian and Ellerman-Bucknall companies declined to explain the change, the agency said, simply attributing it to "operating conditions."

China Realty Company To Be Reorganized

Approval has been given by Judge Milton J. Helmick of the U.S. Court for China to a plan which provides for the complete reorganization of the China Realty Company in terms of Section 77B of the Federal Bankruptcy Act, it was reported this week. The Court has instructed the trustee, Mr. S. Wolsiffer, to submit the plan to all interested parties and a Court session for the hearing of objections, which must be filed with the Court before May 23, has been set for June 5 in Shanghai.

The China Realty Company, one of the largest foreign real estate concerns in Shanghai, filed a petition for reorganization in September, 1935 when it was unable to meet its financial obligations owing to mortgagers defaulting on their payments and the decline in the value of real estate, which made it unprofitable to sell properties held under mortgage.

According to a statement issued by the trustee, the company's present indebtedness is about $16,000,000, while revalued assets total about $13,000,000, which is $3,500,000 less than book value. Of the indebtedness, $11,000,000 is owed to holders of eight per cent debentures, $4,000,000 to holders of seven per cent first mortgage debentures and for current account liabilities, while $300,000 is owing to Mrs. Liza Hardoon, who is an unsecured creditor.

Under the plan of reorganization, holders of seven per cent debentures will receive all interest due and one-fifth of the principal when the plan receives final Court confirmation, while the balance of principal will be paid in four instalments over a period of 12 months. Eight per cent debenture holders and Mrs. Liza Hardoon will receive shares of new common stock of the company at par value in an amount equal to the principal and interest of their claims. Holders of present outstanding common stock will receive shares of the new common stock of the par value of $10 for each 20 shares of the old common stock of a par value of Tls.10 each.

In brief, the new common stock to be issued will amount approximately to $12,250,000, of which 98 per cent will go to the eight per cent debenture holders and Mrs. Liza Hardoon, the remaining two per cent going to the present stockholders of the company.

Is a "Munich Peace" also Impending Here?

(*Editorial Correspondence*)

Much speculation has been aroused by the recent meeting of Britain's two most important ambassadors in East Asia, accredited to Tokyo and Chungking respectively. Numerous official assurances have been forthcoming to the effect that blood is thicker than water and the old school tie more so than both of them. In other words, it was entirely a pleasure trip and strictly private. Yet these official assertions have failed to lull the suspicions of a thoroughly distrustful Chinese public, in whose memory the fate of Czechoslovakia is still very fresh indeed. In this connection, it seems not malapropos to cite a well-known German proverb which reads: "The Lord protect me against my friends—against my enemies I can protect myself!'

Recent developments in Shanghai certainly give grounds for suspicion. The Japanese have been raising ear-splitting howls for the suppression of so-called anti-Japanese papers and for a ban upon hoisting the Chinese national flag.

About a week ago, the "Old Lady of the Bund" courageously shouldered her share of the "white man's burden" by suggesting that while the Shanghai Municipal Council had no legal powers to interfere with what optimists term the freedom of the press, the Council should act *ultra vires* in an emergency such as the present one. In other words, the Council should illegally suppress the papers not complying with Japanese wishes, a suggestion which accords with the "official" characterization generally accorded the senior British newspaper, *The North-China Daily News*.

A few days later, the naughty editors of British-registered "anti-Japanese papers" received a summons to appear at His Britannic Majesty's Consulate. It was pointed out to them that terms like "traitor" or "puppet" are highly improper and that liberty must never become license. Apparently the editors are endowed with a sense of humor. One of them actually had the bad taste to raise the question how anti-British and anti-Chinese excesses in the Japanese and Japanese-controlled press are to be dealt with. Whether or not an answer to this unanswerable question was received, the newspaper reports failed to indicate. It seems that the sinners promised not exactly to be good, but better, and that is where matters rest at present. The Japanese are still howling. The French have been even more eager than the British to do the bidding of Asia's new masters.

Among European and American liberals, the French colonial administraiton enjoys a very good reputation which, according to the testimonial borne by eminent Frenchmen, e.g. the well-known writer Andre Gide, is entirely unwarranted in the light of facts. In his book *Congo and Tjad* Andre Gide gave a description of French colonial methods which certainly leaves no room for the delusion that the French are any better than their fellow-imperialists.

In the Far East, there are ample data available to support these conclusions. Even long before the outbreak of the Sino-Japanese war, the Concession authorities in Shanghai used to extradite Korean nationalists to the Japanese for trial and possibly for execution, in flagrant breach of the right of asylum which until recently was customarily granted deserving foreigners in France.

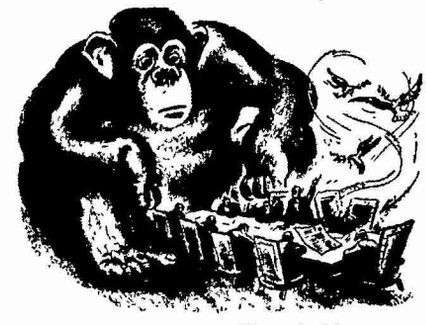
While the French originally maintained a reasonably firm attitude in dealing with the Japanese—even going so far as to construct a local "Maginot line" in spite of Japanese protests—their attitude has softened since the seizure of Hainan and the Spratley islands. The latest French police act has been to prohibit the hoisting of the Chinese national flag for "purposes of propaganda." From the legal point of view, the Concession authorities certainly have no leg to stand on. The Concession is Chinese soil and only the rights of administration have been ceded to France. The authorities are supposed to administer Chinese law in this area. If there be any Chinese law prohibiting the hoisting of the Chinese national flag, this writer would like to learn the exact date of promulgation and other technicalities.

In some cases French officers, according to Chinese reports, went so far as to confiscate Chinese flags, and treat them in a disrespectful manner.

For exactly the same set of reasons which prompts the French to court Japanese favor in this peculiar way, the Chinese cannot afford at present to antagonise the French by protesting too strongly. They are fully occupied in dealing with one enemy and in watching their friends. For this reason, the quarrel has been patched up locally, though Chungking has lodged a protest. Some of the Chinese arrested by the French on this occasion were reported still under arrest a week after the incident.

Because they cannot afford to antagonise the French, the Chinese authorities apparently have failed to take up the many complaints lodged by their citizens regarding the treatment to which Chinese nationals traveling via French Indo-China to Yunnan are subjected. Yet there is no reason why this independent journal should not draw public attention to conditions which are frankly disgraceful. The voyage through Indo-China at present ranks as a major adventure, due to the many obstacles which enterprising French and Annamite officials put in the way of Chinese travelers. There seem to be no definite regulations governing the assessment of taxes and fines. If a passenger tries to explain or to argue, the fine is immediately doubled and if he persists, is doubled once more.

Divine Comedy



Newark News

Passengers travelling on French boats are treated considerably better than those arriving by other lines, but even so, there are lots of complaints. The passport control likewise has acquired a reputation for being discourteous and humiliating.

Nobody can fail to be struck by the extreme short-sightedness of the present French and British attitudes. No matter how the war ends, Chinese goodwill will always be important to them. Nobody can be so childish as to believe for one moment that the Chinese take all the talk about Sino-French and Sino-British friendship very seriously, though only two weeks ago a Sino-French association was formed in Chungking. The Chinese are great realists and judge their foreign "friends" by their acts. Even if China should be defeated now, there are strong indications that the impending second world war would again reverse conditions. Whether or not China is to be "sold out" in a Far Eastern Munich remains to be seen. Everything is pointing towards a Far Eastern Munich. The best bet for the Chinese under the circumstances would be to again stall for time and to give evasive answers to friend and foe alike, an art in which the Chinese are past masters. The chances are that the Chinese will at least try to protect themselves not only against their enemies, but also against their friends.

J.

Shantung Bandits, Generals and the Control of Government Railways

(Third instalment of State Department Correspondence)

CHINA'S railways, all government-owned, were built with capital borrowed abroad, chiefly from Great Britain, France, Belgium, the Netherlands, Japan and Imperial Russia. Germany had also assisted in the construction of the Tienstin-Pukow line and had financed and built the road connecting Tsinan with the coast at Tsingtao. British interest was largely centered in the trunk-line extending from Shanghai at the mouth of the Yangtsze, to Nanking, thence northward through Tsinan to Tientsin and Peiping and again northward through Chinwangtao, Shanhaikwan and Chinchow to Mukden. Bonds issued in financing these roads, particularly the Shanghai-Nanking and Peiping-Mukden lines, were largely held in Great Britain. French-Belgian-Netherlands interests were centered in the Peiping-Hankow and Lung-Hai lines.

While American bankers had not financed any railway construction in China, they had sold (on long-term credits) many hundreds of locomotives, freight and passenger cars, steel rails and bridge equipment. Imperial Russia had built and equipped the Manchurian railways, but was forced to surrender the southern line, from Dairen to Changchun, to the Japanese after the Russo-Japanese war.

The Japanese had also grabbed the Shantung line from the Germans immediately after the outbreak of the World War, but were compelled to surrender the road and equipment to Chinese control at the Washington Conference in 1922. China's plans for paying off the Japanese obligations on the Shantung line were interrupted by the Japanese invasion in 1937.

The struggle among the powers for the right to construct China's railways, popularly known as the "war of concessions" was supposed to have brought on the Boxer Rebellion in 1900.

After the First Revolution in 1911, in the period of the "independent tuchuns" or military governors, the Government railways became the chief elements of strategy in the "checker-board" civil wars of the provincial military chieftains. Revenues were confiscated and rolling-stock was used for transport of troops. Tracks frequently were torn up and bridges dynamited. Protests of the Powers, whose loans were in default, were frequent—and generally ignored!

The Lincheng bandit episode (May, 1923), involving the wrecking of the famous Blue Express and the kidnapping of some 30 foreign and more than 50 Chinese passengers, signalized the high point of railway disorder in the Republic. This explains the attempt of the Powers, chiefly Great Britain, to force the Chinese authorities to agree to the creation of a foreign-controlled railway police guard on the Government railways. As indicated in the correspondence between the American Legation in Peiping and the State Department, the third instalment of which appears herewith, the attempt to induce China to accept the police plan failed. But while it failed, the commotion caused by the bandit affair created a deep impression throughout the country and ultimately led to reforms.

However, it was not until after the Nationalist Revolution in 1927, that the Central Government was able to reassert jurisdiction over its own property, the 7,000-odd miles of Government railways. Also, it was not until after the Nanking Government had established its control that the central authorities were able to consider seriously the vital matters of refunding defaulted railway obligations, re-establish railway credit, purchase new equipment and construct new lines. After extended negotiations with creditors, arrangements were made whereby the Ministries of Communications and Railways agreed to pay off the old debts, including accrued interest, over a number of years.

The faithful observance of these obligations quickly restored China's railway credit in foreign markets and opened the way for the purchase of greatly needed new equipment and the financing of new construction—when the Japanese Army marched in and destroyed everything, beginning with the Government railways. Tracks, bridges, stations, workshops and factories have been bombed and destroyed as part of Japan's campaign of terrorism, and following the defeat of the Chinese armies, the Japanese militarists have seized the railways and are now operating them as spoils of war. The Japanese army authorities recently operated the first train over the repaired Tientsin-Pukow line. They could not bring the train across the Yangtsze to Nanking because the fine new train-ferry which the Nanking Government had purchased in England had been bombed out of existance and now lies at the bottom of the river.

Persons who wish to travel on Chinese railways today must purchase their tickets from Japanese army officers or from railway officials appointed by the Army. Railway revenues over cost of operation are remitted to the Japanese Army and are used by the Army in financing its adventures on the Continent.

Generally speaking, the railway situation in China has reverted to the status which prevailed at the time of the Lincheng bandit episode of sixteen years ago, excepting that the Japanese warlords have been substituted for the Chinese *tuchuns* of a decade-and-a-half ago. Also the bandit menace, typified in the Lincheng affair, which the National Government effectively suppressed, has now returned to plague the Japanese usurpers and the traveling public.

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In the following pages is a continuance of the official diplomatic correspondence, referring to the Lincheng incident, between the then American Minister to China, Dr. Jacob Gould Schurman, and the Secretary of State, who at that time was Charles E. Hughes, now Chief Justice of the U. S. Supreme Court. The first instalment of the heretofore unpublished correspondence appeared in *The Review* on April 15.

Many Lose Lives in Hankow Theater Bombing

Many persons were killed or seriously injured on Apr. 23 when a bomb was thrown at the stage during an entertainment held in the refugee zone in Hankow under the auspices of the *Wu Han Pao*, a Japanese-controlled newspaper. The entertainment was in celebration of the inauguration of the new "Wuhan Municipality." Although the exact number killed is not known, 44 seriously injured persons were rushed to the Methodist hospital. Three of these died on the way, while four others later succumbed at the hospital. The Japanese military authorities cordoned off the zone and made many arrests. All those killed and wounded were Cihnese men and women, with the exception of one Filipino musician, who was hurt.

State Department Correspondence

The Famous Lincheng Bandit Coup of 1923

(Continued from Last Issue)

The Minister in China (Schurman) to the Secretary of State

[Paraphrase]

PEKING, *June 6, 1923—8 p.m.*

[Received June 7—3:36 a.m.]

200. Department's telegram No. 100, June 4.

1. Reference third paragraph Department's no. 97, June 1. I am reliably informed that it would be a mistake for foreign forces to occupy the Tientsin-Pukow Railway unless such occupation becomes necessary in order to secure the release of foreigners still held captive. This is a contingency which I do not consider probable although I will be sure to discuss it with General Connor when he returns. The occupation of the railway would doubtless provoke Chinese resentment and might not only create antiforeign sentiment but also lead to acts of hostility against unprotected foreiners both in Shantung and elsewhere. Also it would surely cause difficulties and dissension among the powers occupying the railway, which would largely offset any advantages that could reasonably be expected to be derived from it. With respect to the suggestion that the railway might be used as a base for exterminating banditry in southern Shantung, I call attention to the facts that all the provinces are cursed with banditry and that the problem is not alone one of making an initial suppression of the bandits, but of permanently freeing the country from this evil. The Chinese themselves must therefore solve the problem.

[2.] Europeans in China, and especially the British, generally favor the idea of foreign-supervised railway police. I had long, separate conferences yesterday with my British and French colleagues and told them that I felt that the most hopeful means of permanent improvement was to stimulate the Chinese themselves to protect their railway service and property. My French colleague was in favor not of controlling officers but of foreign inspectors, and "inspectors" is the word [used ?] by the representatives in China of the Consortium in their telegram of May 23. I asked my British colleague whether he favored having the officers chosen from the Great Powers equally or from the small European nations. In reply he suggested that they might be appointed from the countries of the bondholders.

3. The Chinese unaided have not been able to provide the effective police force which is necessary in order to protect the service, property, and collection of revenue of the railways. Probably foreign inspectors would give the Chinese sufficient help but if it is thought necessary to have foreign controlling officers, now is a good time to secure their appointment. If a time limit were set, I believe that the Chinese would make no serious objection as far as the Tientsin-Pukow Railway is concerned, but there is a need for foreign trained police, not only on that railway but on all Chinese Government-controlled railways. In my opinion an effort should be made now to induce China to accept at least plans for foreign inspectors.

4. A general like . . . could loot the treasury of a railway in spite of a police force under foreign inspection or supervision. Such a force could, however, protect railway property from raids of neighboring bandits and lawless groups, obtain the revenues collected, and insure regular service of trains, if it had good information service and proper concentration points along the railway line. Just as [on ?] one railway line police detachments could be sent from the nearest concentration points wherever needed, so if all the railways had the improved police system, reinforcements could, if needed, be transferred from one line to another. Only a relatively small mobile force with good information service regarding bandit movements near the railway lines would thus be needed to protect the railways.

6. [*tic*]. It is believed that an adequate, reorganized police force with foreign inspection or supervision could be supported with the funds already allocated to the railways for police purposes. These funds are now wasted on a multitude of useless officers, soldiers and policemen.

7. The Chinese railway police force should be under the supreme control from Peking of either a foreign officer or a Chinese officer with a foreign inspector associated with him. This central authority should not only exercise supreme authority over the force but should also be responsible for paying the officers and men and furnishing them with material.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 8, 1923—7 p.m.*

[Received June 8—3:42 p.m.]

207. The international commission of which General Connor is president returned to Peking yesterday and presented its report today. The most important points follow:

1. There are probably not more than about 4,000 Chinese troops distributed along a line of 130 kilometers.

2. Within the cordon there are probably not more than 1,200 to 1,600 armed banits. These are variously armed with pistols and rifles

3. It is the opinion of the Commission that if the bandits in any province are to be effectively suppressed it is absolutely essential that the soldiers employed should be reliable troops immediately controlled by the Central Government and not provincial troops nor troops coming from the same province in which the operations take place.

4. The measures which have been taken to defend the Tientsin-Pukow Railway are entirely inadequate for its defense against outrages similar to that which took place at Lincheng.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

[Paraphrase]

PEKING, *June 10, 1923—10 a.m.*

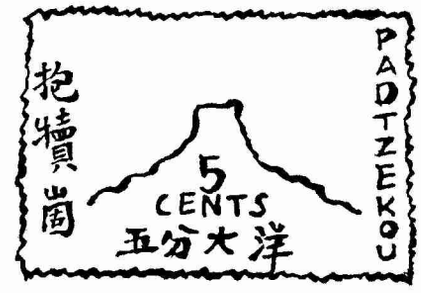
[Received June 10—6:23 a.m.]

212. Paragraph numbered 8 my 176, May 23, 3 p.m. At conference with General Connor and the naval and military attaches it was unanimously agreed that the 3d battalion of the 15th Infantry should be sent to Tientsin from the Philippines as a gesture with respect to the Lincheng affair. I recommend that this be done as soon as practicable.

I made the above recommendation in my May 29 despatch but I now telegraph it as for some days China has been without a Cabinet, and the President may be forced out. Peking was without police all yesterday and the future is uncertain. If my recommendation is adopted there will be sufficient time for the battalion to be sent on the July transport.

SCHURMAN

Bandit Stamp



Carl Crow, who headed the relief party which established its headquarters at Tsaochwang, designed stamps which were placed on letters and parcels destined for the bandit camp where the captives were held. The bandits respected these stamps, which later were much in demand by collectors all over the world.

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 10, 1923—7 p.m.*

[Received June 10—2:05 p.m.]

213. Following telegram from Davis and Philoon dated June 9, 8 p.m. received June 10, 5 p.m.:

Banditti today stated all terms acceptable but requested three more days to complete enrollment. Efforts are being made to effect release Monday.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 11, 1923—3 p.m.*

[Received June 11—10:47 a.m.]

214. Following from Davis and Philoon at Tsaochuang dated June 10, 8 a.m.: "Satisfactory telegram from Tsao Kun relating [guarantee ?]. Disturbances among the provincial troops here may follow departure of foreigners."

In connection with negotiations concerning Anderson's personal guarantee to be covered by Tsao Kun which were mentioned in my telegram No. 198, June 6, 3 p.m., and referred to above, I telegraphed Davis and Philoon June 7th that they should make certain that it was clearly understood by the bandits that Anderson in no way represented the United States or that his signature to the guarantee would involve the Government of the United States in any way.

SCHURMAN

[Paraphrase]

The Secretary of State to the Minister in China (Schurman)

WASHINGTON, *June 12, 1923—2 p.m.*

107. Your 212, June 10, 10 a.m., has been discussed with Secretary Weeks. He is cabling to General Connor for additional information. It is the policy of this Government not to maintain larger forces in China than are necessary to furnish such protection as it is practicable to assure by military means. An increase in our forces would not therefore be approved as a mere gesture not connected with considerations of precaution for the protection of American interests. The telegram under reference does not indicate that a situation exists actually placing American interests in jeopardy in such a manner as to necessitate increasing the Legation Guard or the infantry force on the railway; and I understand from your 200, June 6, 8 p.m., that you do not deem it wise to increase the area wherein foreign troops are now authorized to be stationed to protect foreign interests.

A fuller expression of your opinion regarding this subject would be appreciated, and also a statement as to what action of a similar nature the other powers may be contemplating.

HUGHES

The Consul General at Shanghai (Cunningham) to the Secretary of State

SHANGHAI. *June 12, 1923—11 p.m.*

[Received June 12—2:48 p.m.]

Davis telegraphs all foreign captives released this afternoon. It is felt sure that credit is due Consul Davis, Roy Anderson and Commissioner of Foreign Affairs Wen.

CUNNINGHAM

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 14, 1923—4 p.m.*

[Received June 14—1:15 p.m.]

222. Your 107, June 12, 2 p.m. has been discussed with General Connor and military attaches in conference here today. In explanation of my 212, June 10, 10 a.m., I pointed out in my despatch of May 29 that as I had already informed the Department, the outrage at Lincheng, which has deeply stirred the foreign communities here, is but one manifestation of underlying chaotic conditions liable to produce similar phenomena of greater extent and much more serious and fatal results at any time. I also stated in the despatch that the transfer of troops recommended could not, of course, be regarded seriously as a reenforcement but should be considered to be a gesture to the Chinese in reply to the Lincheng outrage, which they will probably interpret as an intimation by the United States that treaty rights must be observed and that such outrages will not be allowed to continue.

From the above you will observe that the proposed enlargement of the force was not thought of as a mere gesture but as a precautionary measure to safeguard American interests.

To be sure, we do not now have a situation actually putting American interests in jeopardy in a manner to necessitate any addition to our force at Tientsin, but with conditions here so exceedingly unstable such a menace might arise at any time with such suddenness that when it occurred there would not be time to secure more troops. As existing conditions are apt to last a long while it would be of little use to send these troops unless they are to stay for some time.

General Connor and the military attaches concur in the above.

This morning I conferred with my British, French and Japanese colleagues regarding their views with respect to increasing their forces at Tientsin. They all said that they thought there was bound to be a war between the Chihli and Fengtien troops. The suggestion was made by the Japanese Charge that the railway as far as Shanhaikwan should be kept free of belligerents. The British Minister is considering requesting his Government to bring the British force up to its pre-war strength. I received no intimation from the French and Japanese representatives that they had such intentions.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

[Paraphrase]

PEKING, *June 14, 1923—5 p.m.*

[Received 12:47 p.m.]

223. A committee has been appointed by the diplomatic corps to consider basis for recommendations as to demands for settlement of the Lincheng affair by the Chinese Government. The committee consists of the Ministers of Belgium, France, Great Britain, Italy, Netherlands and the United States and the Charge of Japan.

This committee has met twice and has agreed to making demands under three headings: (1) Compensation; (2) guarantees for the future; (3) sanctions. The committee will meet again tomorrow morning.

There has been little progress as to guarantees and sanctions. Under the first heading, however, it is prepared to include direct losses of objects of value, loss of earnings, personal injury including death and temporary or permanent decreased earning capacity. All agreed on these points.

All but myself also agreed to a proposal that in addition to the kinds of compensation mentioned above there should be an indemnity to each captive for each day he was held, this compensation to be at the rate of $500 for each of the first three days and $100 for each day thereafter. The reasons why I did not agree on this point with the rest of the committee are as follows:

1. Such an indemnity added to the exhaustive compensation for which provision is made would not, in my opinion, be allowed by a court of equity or justice.

2. It brings in a new principle for the assessment of damages against the Government of China.

I ask for instruction in this matter. The British Minister, who is in favor of the indemnity, is also cabling to his Government.

SCHURMAN

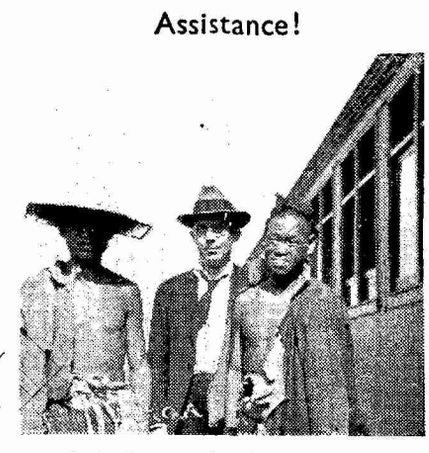
The Minister in China (Schurman) to the Secretary of State

PEKING, *June 15, 1923—6 p.m.*

[Received June 16—2:56 a.m.]

226. My telegram number 223, June 14, 5 p.m. Committee today adopted two guarantees for the future. The first, which I had introduced and earnestly advocated, is as follows:

"Banditry having become a grave menace to the lives, properties and rights of foreigners in China, the diplomatic body intend to keep themselves informed with respect to it and for that purpose they have decided to send into the provinces in which bandits are prevalent their own representatives to examine and report upon bandit conditions and whenever it appears to the diplomatic body that any military governor or other official controlling troops or any other provincial or local official has failed or is failing to protect foreigners in the efficacious manner stipulated in the afore-said treaty the diplomatic body will demand that the penalties therein prescribed shall be summarily imposed upon the offender with such additional punishment by fine or otherwise as the circumstances may demand or warrant."



Carl Crow, who headed the Red Cross relief party, with two of his bandit helpers who transported food to the bandit camp in the Shantung hills, a distance of about 40 miles from the railway.

The treaty referred to in the foregoing is the final protocol of 1901, annex number 16, last paragraph, see MacMurray page 301. The second guarantee, on which the British Minister has strenuously insisted, with the support of the Belgian, French, Dutch and Italian Ministers, contemplates reforms in the protection of the Chinese railways consisting "of the reorganization of the special Chinese police forces which would be placed under the control of Foreign Office and charged with assuring the protection of the railways that are at present or may hereafter come under the control of the Central Government." A more detailed plan is to be sent later to the Chinese Government.

The British Minister, supported by the above-mentioned colleagues, argued that since the reorganized police forces must be regularly paid it was essential to have foreign accountants, traffic managers, and engineers. To this he said that his Government attached much importance. But Japanese Chargé d'Affaires said his Government, while favoring an effective police force, was opposed to foreign management of the railways.

No other guarantees for the future were proposed.

As regards sanctions it was decided to demand the punishment of offending civil and military officials and employees of the railway and others after the diplomatic body had received the report of the International Commission of Inquiry and any other information that might come to it from authentic sources.

Other sanctions are the demand for the settlement of outstanding questions of importance affecting all foreigners in China of which the first and dominant is the harbor improvement of Shanghai with the extension of the International Settlement and also the question of the Mixed Court. The remaining sanctions are not yet finally determined.

[Paraphrase.] It was generally felt that the terms which the Commission recommended for the settlement of the Lincheng outrage would not be accepted by the Chinese Government. [End paraphrase.]

In the opinion of the Commission, however, the terms are reasonable. The sanctions include no money indemnities and

apart from punishment of individuals they will be as beneficial to the Chinese people as to foreigners.

[Paraphrase.] Assuming that the diplomatic corps adopts the demands of the committee, a serious impasse would result if the demands were resisted by the Chinese Government. My British colleague remarked that if such a situation should develop it would be necessary to use force. He intimated that he would recommend to his Government that the British garrison be strengthened and the fleet be prepared to act. It seemed to me that the expression of the Japanese Charge was unresponsive to [this proposal?]. None of the other Ministers commented. My British colleague and I walked homeward together. On the way he observed that the Japanese would join if the British and American warships made a demonstration. He was also confident that the Dutch and French would be in complete accord. I said that in my opinion the American Government would be opposed to using force, but that I had received no instructions. While I did not tell the British Minister so, I have thought that in order to secure a settlement of the Lincheng outrage we might use the present political crisis to advantage. [End paraphrase.]

I should be greatly obliged for instructions or suggestions indicating even your tentative attitude with respect to any point in the committee's report or the other matters referred to in this telegram.

SCHURMAN

The British Embassy to the Department of State

MEMORANDUM

The Corps Diplomatique at Peking are now considering proposals for a settlement of the recent outrage by brigands on the Tientsin-Pukow railway and measures for the better protection of foreigners in the future.

Conditions in China appear to be deteriorating and unless an opportunity is seized to insist on effective guarantees for the safety of foreigners their position will gradually become impossible. His Majesty's Government consider it desirable, moreover, that action should be taken promptly before the effect created by the recent outrage has had time to wear off.

His Majesty's Minister at Peking has proposed the creation of a railway police force under foreign officers, together with increased foreign control over the railway revenues, in order to provide for the payment of the force.

This scheme appears to His Majesty's Government to be the one most likely to produce useful results, but difficulty is to be anticipated in securing its acceptance by China unless the Powers present a united front in the matter.

His Majesty' Government earnestly hope that the United States Government will see their way to accord to their representative at Peking full authority to act in concert with the Corps Diplomatique in demanding such measure as may be required.

WASHINGTON, *June 19, 1923.*

The Minister in China (Schurman) to the Secretary of State

[Paraphrase]

PEKING, *June 19, 1923—1 p.m.*

[Received June 19—9 a.m.]

229. My telegram No. 223 of June 14, 5 p.m. The committee at its meeting yesterday used the French word *indemnite* to cover all classes of compensation, including the $500 demanded for each of the first three days the prisoners were held and $100 for each day thereafter. This claim is referred to as being a fixed indemnity for the loss of liberty and the moral and physical sufferings and hardships endured by the foreigners while held captive by the bandits.

The objection which I had felt to the proposal as originally made, that it was an arbitrary indemnity for no stated object, is removed by this change. I recommend, therefore, that it be approved. I made no formal commitment, awaiting an answer to my telegram under reference.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 20, 1923—5 p.m.*

[Received 7:35 p.m.]

231. My 226, June 15, 6 p.m. Committee today adopted following punishments: General Tien, military governor, Shantung, to be summarily dismissed from office and excluded from office and honors hereafter; General Ho, defense commissioner at Yenchowfu, responsible for southern Shantung, to be dismissed from office and excluded from any military appointment hereafter; General Chang, commander of Tientsin-Pukow Railroad police, to be dismissed from office and excluded from similar service hereafter; and Chao, the officer in immediate command of guard on the wrecked train, to be dismissed from office and never again employed in a police capacity. The first three at the discretion of the diplomatic body to be excluded from the protection of foreign concessions or settlements. Apart from these punishment[s] of all officials, the only other sanction has reference to Shanghai; namely, extension of the settlement, extension and improvement of the harbor and maintenance of the ultimatum [*sic*] arrangements of 1901, 1912 and 1916, with regard to the Whang-poo and also the reorganization of the Mixed Court.

Although the note had already been practically completed, I submitted to-day for incorporation in it the following which the committee adopted and decided to use as the concluding section of the note:

"Diplomatic body has already notified the Chinese Government that it will not henceforth regard notices which have already been received or which may hereafter be, from that Government to the effect that certain areas are [apparent omission] time and the diplomatic body now further declares to the Chinese Government that it will interpret all such original notices as acknowledgments on the part of the Chinese Government of the extension of banditry into new areas and all renewals of such notices as acknowledgments of the failure of the Chinese authorities to suppress banditry where it had hitherto prevailed.

If banditry is not suppressed or at least controlled, foreigners are in danger of losing a large part of the rights guaranteed them by treaty in China. In demanding that China shall be made safe for foreigners the diplomatic body is in effect only asking that China be made safe for the Chinese people themselves. The grave danger to which both foreigners and Chinese are now exposed and of which the Lincheng outrage is only a single manifestation is not due to any lack of military force, for China has more soldiers under arms than any other country in the world. That danger is due to the fact, first, that the soldiers are generally unpaid as was found to be the case in connection with the Lincheng outrage in Shantung and, secondly, that the Chinese Government authorizes or permits the military commanders to use the best national and provincial troops to fight one another and to carry on continuous internecine warfare in different parts of the country greatly to the injury of foreign interests and with incalculable losses and sufferings to the people of China when these forces should be employed for the maintenance of domestic peaceful protection of the people against the depredations of bandits and the control, gradual suppression, and eventual disbandment of the entire wretched system of banditry itself.

Wen Shih-tsun, Commissioner of Foreign Affairs at Nanking, who displayed great courage by entering the bandit camp and negotiating for the release of the captives.

If the Chinese Government does not resolutely grapple with the problem of banditry which now threatens to undermine foreign rights and foreign interests in China, if it continues to permit or to tolerate present abuses, the diplomatic body will be forced to consider what further steps must be taken for the protection of foreign life, property rights and interests in a country which though recognized as a member of the family of nations fails to discharge even the most fundamental of the duties which are [inseparably] connected with the rights and privileges of such membership."]

Committee meets 22nd to pass on draft of report in final form. It is however the sense of the committee that we should not present report to the diplomatic body until we have heard from our Governments what measures they will authorize for the enforcement of the terms of settlement proposed by the committee in the event of the Chinese Government proving recalcitrant. The committee is of opinion that it would be not only humiliating but disastrous if the diplomatic body were compelled to back down after having made demands on the Chinese Government.

SCHURMAN

The Secretary of State to the Minister in China (Schurman)

WASHINGTON, *June 21, 1923—6 p.m.*

118. Your telegrams 226, June 15, 6 p.m., 231, June 20, 5 p.m. are receiving careful consideration in all aspects, and instructions on the questions involved will shortly be sent you.

In the meanwhile, let me caution you against committing yourself to any phase of action until a homogen[e]ous plan can be authorized.

The suggestions concerning the settlement of outstanding problems of importance affecting all foreigners in China, such as the improvement of the Shanghai Harbor, the extension of the

Shanghai Settlements, and the question of Mixed Courts, appear so little related to the essential purpose of the proposals now under consideration that the Department is not disposed to view with approval their incorporation therein. It is believed that any program of demands to be presented to the Chinese Government should be grounded upon principles of elementary justice whose fairness will instinctively appeal to the Chinese people, and that it would be unwise to include extraneous or debatable questions suggestive of a generally aggressive attitude or of a desire to make use of the present incident for the purpose of obtaining ulterior advantages.

HUGHES

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 22, 1923—10 a.m.*
[Received June 22—4:58 a.m.]

233. My 223, June 14, 5 p.m. Committee's report also includes among claims for compensation an item for refund of expenses incurred in providing for the captives the means of subsistence and relief. So far as known all such provisions were made by the American Chamber of Commerce, Shanghai.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 22, 1923—10 a.m.*
[Received June 22—5:08 a.m.]

234. My 229, June 19, 2 [1] p.m., and 223, June 14, 5 p.m. For exemplary and punitive damages suffered by himself and family in Lincheng outrage, Major Allen has presented claim of $50,000 gold and Major Pinger $60,000. I am informed that Shanghai victims of the outrage are presenting still larger claims.

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 22, 1923—4 p.m.*
[Received June 22—11:15 a.m.]

235. My 231, June 20, 5 p.m. Committee today reconsidered section on pecuniary indemnities and decided that diplomatic body would demand only the three following categories:

"1. Indemnities for loss of baggage and other objects stolen or carried off at the time of the attack on the train, the same to be based on the declaration of the parties concerned as agreed by their respective consuls.

B. Fixed indemnities for deprivation of liberty and for the hardships and indignities undergone by all the foreign travelers whilst they were in the hands of the bandits, namely, 500 silver dollars per prisoner per day for the first three days of detention, May 6th, 7th, 8th, and 100 silver dollars per prisoner per day for the following days.

C. Indemnities for the reimbursement of the relief expenses of the prisoners."

The principle of the other two remaining categories, namely, indemnities for loss of earnings and bodily injury including death and indemnities for diminution of earning capacity, is supported and asserted by the diplomatic body, but these claims are to be made by the individual legation.

[Paraphrase.] Although the alleged reason for the change was the danger that the precedent would bring results which in the future would embarrass and overburden the diplomatic body, the immediate incentive was the belief that under the categories named in the preceding paragraph some legation would make an exorbitant claim which the diplomatic body would be obliged to support even though it did not approve of it.

Committee meets Monday, 25th, to consider question of railway police force under foreign control or inspection. [End paraphrase.]

SCHURMAN

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 23, 1923—1 p.m.*
[Received June 23—9:55 a.m.]

236. Your 118, June 21, 6 p.m. I have taken all along with committee and others the course indicated in your paragraph 2.

As regarding your paragraph 3, I have not hitherto made it clear that the proposed demands with regard to Shanghai constitute the sum total of the progressive sanctions, while [*which*] the diplomatic body on May 9th announced they would impose on the Chinese Government after May 12th if the foreign captives were not all released by the latter date—see my 140, May 8, 5 p.m., and 155 [*156*], May 14, 3 p.m.

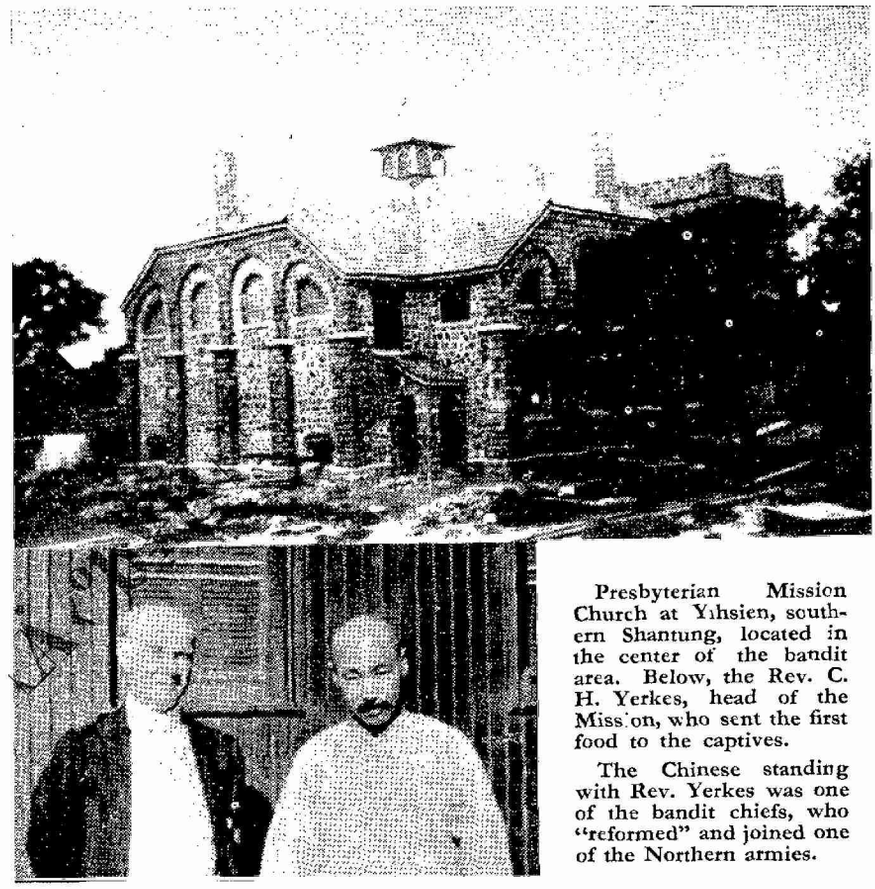
Committee is unanimous in the view that these sanctions should not consist of a pecuniary indemnity. The force of your objection that the Shanghai demands are not homogeneous with the essential purpose which is the protection of foreigners in their treaty rights is fully recognized, but if that criterion is insisted on without reservation, it would seem to make impossible the imposition of any progressive sanctions whatever and thus cost diplomatic body loss of self-respect, prestige and face: such loss would affect disadvantageously the influence of the nations having representatives in the diplomatic body and especially those who had nationals in the Lincheng capture.

I may add that I can speak with a certain detachment in this matter as I was in Shanghai when the diplomatic body adopted and announced the policy of progressive sanctions.

Whatever the sentiments of any particular individual may have been, the committee as a whole has been animated by the desire of dealing justly and in a spirit of moderation with the Chinese. The settlement of Shanghai questions would remove future causes of friction between Chinese and foreigners while equally advantageous to both. And the committee can think of nothing else so suitable to cover the sanction to which the diplomatic body committed itself.

SCHURMAN

Missionaries Sent Food and Bibles



Presbyterian Mission Church at Yihsien, southern Shantung, located in the center of the bandit area. Below, the Rev. C. H. Yerkes, head of the Mission, who sent the first food to the captives.

The Chinese standing with Rev. Yerkes was one of the bandit chiefs, who "reformed" and joined one of the Northern armies.

The Secretary of State to the Minister in China (Schurman)

WASHINGTON, *June 23, 1923—3 p.m.*

121. Referring to your telegrams 226 June 15, 231 June 20, and supplementing the Department's 118 June 21, 6 p.m.

The Department would not be prepared to recommend any demonstration in force for the purpose of obtaining the acquiescence of the Chinese Government in any program which may be agreed upon. The temporary transfer to China of the third battalion of the 15th infantry, as recommended in your 222 June 14th is under consideration.

[Paraphrase.] There is only one other suggestion which commends itself favorably to the Department for inclusion in the program being formulated by the diplomatic corps. That is the possibility of stationing at Tsinan a small international force, perhaps not more than 100 men from each national force now garrisoned at Tientsin. This would be specifically a penalty for the outrage at Lincheng and also serve as a warning to the officials of Shantung and of other provinces. Presumably such a plan would have a definite time limit, say one year, at the termination of which period the force would be withdrawn unless their further retention

should be made necessary by conditions then existing. In adopting this plan the Powers would disclaim all responsibility for protecting the railway, the Chinese Government being held fully responsible for that. The Department requests your views regarding this suggestion. It should, however, be kept strictly confidential and you are not to refer to it in talking with any of your colleagues. A plan like that outlined above could obviously not be helpfully proposed by the American Government without the Japanese concurrence in view of all the circumstances connected with the retrocession by Japan of all its rights and claims in Shantung. The Department is contemplating sounding out the Japanese Embassy regarding this suggestion unless you see objections thereto. [End paraphrase.]

The Department approves of the demands for penalties specified in your telegram No. 231 June 20th and of the general proposal with respect to the investigation of banditry in the provinces and the penalties provided for delinquent officials as set forth in your telegram No. 226 of June 15th; but it desires to be informed more precisely as to the nature of the International Commission and whether it is the same as the military commission headed by General Connor.

With regard to the establishment of a railway police force, the Department has received from the British Embassy a memorandum dated June 19th which, after referring to the necessity of effective guarantees for the safety of foreigners in China if their position is not to become impossible states

"His Majesty's Minister at Peking has proposed the creation of a railway police force under foreign officers, together with increased foreign control over the railway revenues, in order to provide for the payment of the force.

This scheme appears to His Majesty's Government to be the one most likely to produce useful results, but difficulty is to be anticipated in securing its acceptance by China unless the Powers present a united front in the matter."

Although the above plan could not be considered separately or apart from other proposals which the Diplomatic Body may contemplate presenting to the Chinese Government, it nevertheless appeals to the Department as being intrinsically meritorious. Such a plan, however, could not be predicated upon other than a purely international basis whose reason and justification would be the general security of foreigners and of their rights of travel and of trade in China; it could not receive the support of this Government, if such a force should be designed and organized primarily for the protection of the financial interests of foreign bondholders or for the rehabilitation of British railway loans. It is suggested that the apprehension of such a purpose in the British proposal may account for the position taken by the Japanese Chargé as stated in your telegram.

It is desirable that you should report in considerable detail upon the nature of the proposals for such an organization and it is suggested that if the foreign personnel should be nationals of countries having but moderate interests in Chinese railways, fears of such an organization becoming mainly devoted to strengthening British financial interests might thus be allayed.

The Department also desires in further detail your views and recommendations as to the possible use of the present political crisis in obtaining the acquiescence of the Chinese Government in any program of demands, through withholding recognition of any new Government which may come into power in the near future. In this connection, it would be essential to ascertain the readiness of the other Powers to join in such action and it would be important to consider any possible complication likely to arise through the discontinuance of releases of the salt and customs surplus.

You will be instructed separately with regard to the claims for damages in behalf of the Lincheng captives.

HUGHES

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 25, 1923—7 p.m.*
[Received 10:10 p.m.]

238. [Paraphrase.] Your telegram 121 of June 23. With respect to the plan contained in the strictly confidential paragraph, I am strongly in favor of including it in the program of the diplomatic corps with one modification described below.

As you state, this plan provides a specific penalty for the Province of Shantung as well as a warning to other provinces. It could be [considered?] as including the progressive penalties to which the diplomatic corps is [now committed], and it associates force with the diplomatic corps' demands, even though this force is not applied to obtain the acceptance by the Chinese Government of those demands. These ends are all highly desirable. Practically all Americans and Europeans in China would approve this plan. They are at present quite generally blaming their Governments for weakness.

However, the proposed penalty would provoke resentment in Shantung and possibly arouse antiforeign feeling as the people of Shantung are intensely pro-Chinese. This applies especially to the greatest of them, General Wu Pei-fu.

The troops in southern Shantung are poor. The Fifth Division stationed at Tsinan would probably be rated as a class B Chinese division. The military authorities of the Province have an arsenal at Tehchow. By cutting the three railway lines they could isolate Tsinan long enough to wipe out a small body of foreign troops. I venture the suggestion, therefore, that while it would not be risking too much to send a few hundred foreign soldiers to ports like Hankow or Pukow, as a matter of precaution no international force of less than four units of 500 men each should be sent to Tsinan. With this change, which is the modification I referred to in the opening parargaph, I am in hearty agreement with your suggestion. It will, I think, greatly strengthen the note presented by the diplomatic corps. [End paraphrase.]

In reply to your inquiry regarding the nature of the international commission which it is proposed to send when necessary into the provinces to report on bandit conditions, the committee was of the opinion that it should be specially constituted on each occasion and should consist of military attaches, legation secretaries or officers communicating [*connected?*] with forces at Tientsin as might at the time seem most desirable.

I am greatly obliged for the copy of the British Government memorandum upon the proposed railway police force and your comments upon it. As to the instruction that I should report in detail upon the nature of the proposals that may be made for such an organization, I beg to say that, although the committee met this forenoon for the purpose of receiving them, the matter was not considered as the British Legation which has taken the lead in pushing this demand was not represented and no further action is likely before British Minister returns from Shanghai at end of the week.

On the subject of your last paragraph I will report later.

SCHURMAN

The Secretary of State to the Minister in China (Schurman)

WASHINGTON, *June 26, 1923—6.pm.*

126. Your No. 236, June 23, 1 p.m. With reference to what are termed progressive sanctions, although the Department agrees with the view of the Committee that these should not consist of a pecuniary indemnity, it disapproves of the proposed demands with respect to Shanghai for the reasons outlined in its No. 118 of June 21, 6 p.m. It apprehends that these demands would appear to that element in China which is most substantial and most friendly to foreigners, as in fact they appear to the Department, to be prompted rather by hopes of advantage to certain groups of foreign interests than by a regard for the necessity of penalizing the Chinese Government for permitting the outrage to occur or for negligence in freeing the captives thereafter. It is believed that such demands, not affecting the provincial militarists but forcing debatable issues with the Chinese commercial community of Shanghai, would serve to alienate the sympathy of that class from which must proceed the demand for stability and good order in China.

It has been the policy of the Department that the question of Settlement extension should not be confused with other issues. In its instruction No. 330, of February 10, the Department advised you of its opinion that the subject of the reorganization of the Mixed Court should remain in abeyance pending the meeting of the Commission on Extraterritoriality; and as you were advised in its telegram No. 14 of Jaunary 22, 5 p.m., the proposals relating to the improvement of Shanghai harbor are not as yet in such form as to meet with the full approval of the Department, inasmuch as they appear in important matters to depart from the recommendations of the Committee of Consulting Engineers, for the purpose of promoting certain local non-American vested interests. Considered merely from the view-point of the several national interests concerned it would appear that, whereas American nationals were the most numerous among the sufferers from the Lincheng outrage, the demands based thereon would accrue primarily to the benefit of particular interests of other nationalities.

With regard to the suggestion that the self-respect of the Diplomatic Body demands the carrying out of the policy of progressive sanctions announced by it; the Department believes that this situation would be fully met by such suggestions as were contained in the Department's telegram No. 121, June 23, 3 p.m., with respect to the establishment of railway police and the possible stationing of troops at Tsinan, or by some other course of action related to the original incident, free from the imputation of ulterior motives, and clearly designed as a penalty upon the Chinese Government and a warning to the officials both of Shantung and of other provinces.

Your 238, June 25, 7 p.m., just received, is having careful consideration.

HUGHES

The Minister in China (Schurman) to the Secretary of State

PEKING, *June 29, 1923—10. a.m.*
]Received June 29—7:47 a.m.]

241. Your 126, June 26, 6 p.m. Conformably to your 116 [118], June 21, 6 p.m., at a meeting of the committee morning of 25th I notified committee that you disapproved proposed demands with respect to Shanghai and I accordingly requested as everything in the report was provisional and tentative that Shanghai section be stricken out. Committee in general recognized your reasoning as unanswerable.

SCHURMAN

(To be Continued next week)

Mediation Said Unwelcome, But Peace Rumors Persist

WHATEVER Japan's fresh intrigues and the present mission to Chungking of the British Ambassador, Sir Archibald Clark Kerr, one thing seems certain: no peace between China and Japan is possible under existing circumstances. The statement issued last week by General Chiang Kai-shek, reaffirming China's determination to continue resistance, and the denial made in London of any British attempt at mediation must have now shattered Japan's dream of an early termination of the hostilities in her favor.

The British envoy is now in Chungking, having seen both General Chiang and the foreign minister, Dr. Wang Chung-hui. The topics of Sir Archibald's conversations with the two Chinese leaders have not yet been revealed, but it is generally believed that, whatever be their nature, they can hardly affect the Chinese program of prolonged resistance. On the other hand, the Chinese stand may become considerably stiffened, if Sir Archibald's mission is to submit Japan's peace terms to the Chinese Government.

Twenty-two months of hostilities in China have revealed many cracks in Japan's military, political and economic structures, and China is growing more confident that a war of attrition will eventually bring Japan to her knees. Britain, for reasons of her own and possibly under Japanese pressure, is naturally anxious to see a quick settlement of the Far Eastern crisis, but it would be preposterous to think that China could ever permit her vital interests to be influenced by considerations of accomodating a friendly Power, however laudable may be her motive.

Mediation Not Welcome

Commenting on rumors of possible British mediation in the present visit of Sir Archibald to Chungking, the *Yi Pao*, Chinese daily in Shanghai, unceremoniously remarked that no mediation would be welcome by China, since she is fighting for her existence and independence. The determination of the Chinese people to fight to the finish, said the journal, has been repeatedly expressed by Generalissimo Chiang Kai-shek, whose policy of protracted resistance has won nation-wide endorsement and support. It has been the policy of Great Britain, the paper further commented, to try to maintain peace in the Far East, especially when she is now facing a serious crisis in Europe, but it is difficult to believe that she will be so indiscreet as to proffer mediation regardless of the Chinese attitude.

The *Yi Pao* emphasized that the policy of a "make-shift" peace is no effective means for Britain to safeguard her interests in Europe and the Far East. It would be folly to think that by making concessions to Japan, the latter could be expected to maintain neutrality in East Asia in the event of a European war and refrain from seizing British Far Eastern possessions. Finally, the paper urged Britain to give up the idea of appeasing Japan and to extend greater assistance to China in her momentous struggle against aggression.

Japanese Rumors Continue

Despite the utter futility of any third-party intervention at present, Japanese sources continue to spread the rumor that the purpose of Sir Archibald's visit in Chungking is to counsel Gen. Chiang Kai-shek to end the hostilities. According to the Shanghai *Mainichi*, the British envoy will "strongly recommend the voluntary opening of peace negotiations by the Chungking government without any intermediary and also the prohibition of anti-Japanese terrorism in the foreign areas in China." Concerning East Asiatic problems, the Japanese paper claimed, Sir Archiblad would advise Gen. Chiang to "adopt the points which were agreed upon in the recent Shanghai conversations between Sir Robert Craigie and Sir Archibald." What exactly these points were, the jounal failed to reveal.

Pending official announcements from Chungking as to the nature of Sir Archibald's conversations with government leaders, it is appropriate to reserve comment on the *Mainichi* allegations. Whatever truth there might be in the journal's remarks, it is difficult to see what advantages Japan can possibly gain by the inspired peace propaganda, since China is grimly determined not to brook any interference with her fixed policy of prolonged resistance.

Of significance in connection with the Japanese rumor of British mediation was the speech made in Manchester by the Chinese ambassador to Britain, Dr. Quo Tai-chi. Dr. Quo frankly warned against the extension by Britain of the policy of appeasement to the Far East. Appeasements, he said, were only appetizers. Laying the blame squarely at the doors of the Western powers, Dr. Quo called attention to their grave responsibility for enabling Japan to continue her aggressions on China. Japan, he asserted, could not continue her war against China for another six months without imports from the West. Pressure against Japan by the boycott of her exports, Dr Quo stated, and by an embargo of her imports, would bring the conflict to an end. It was only by the permission (and by assistance) of the Powers that Japan was enabled to run amuck in the Far East with impunity, Dr. Quo pointed out.

During the last 21 months Dr. Quo continued, Japan's position in the world had been brought close to that of a second-rate Power. China, he said, touched bottom in 1938, but this Spring found her in a much stronger position, both in military and civilian forces at home, and in her relations with the world. As against her territorial losses, she had developed effectively an Empire out of the great self-sufficient southwestern provinces.

Because of its outspokenness, Dr. Quo's speech aroused considerable attention in England. The remark that the Western Powers were making the continuation of Japan's war on China possible by furnishing Japan with supplies was particularly impressive.

In another speech, Dr. Quo stressed China's role in the fight for world order. Emphasizing China's grim fight for "international political decency" and democracy, he said: "Faltering on the part of China would set the whole world still further out of its stride."

The valiant fight put up by China and the opening up of her western provinces are creating a profound impression in England. According to an article published in the *Manchester Guardian*, far-sighted observers believe that a new, vigorous civilization, destined to have great influence over the world, is rising in the vast expanses of Eastern Asia. The article enumerates two main causes for this awakening: 1. Russia's development of her Far Eastern possessions; 2. the Chinese Governmnet's decision to retreat into China's western provinces.

Shanghai Papers Receive Threatening Letters

Above is a reproduction of the threatening letter received last week by The China Weekly Review and four British-owned and two American-owned Chinese daily papers in Shanghai. Purporting to come from "The China Patriotic Youths' National Salvation Association," the letter threatened "forcible suppression" of the papers if they persisted in their "absurd opinions" and failed to give "honest views." Since the letter asserted that the Kuomintang was using the San Min Chu I as a pretext for retaining power and exploiting the people, and that it was "surrendering national interests to Europe and America," it was assumed that its source was some Chinese puppet organization connected with the Japanese authorities.

This extraordinary migration to the west, the paper continues, is comparable in size and economic importance with the great westward movement in the United States in the 19th century, and is yet even more significant, for at the same time, it has something of the character of the movement across Europe known as the Renaissance.

The article emphasizes the importance of China's role in championing the cause of peace against aggression and assails the policy of appeasement as practised by Great Britain. "By pinning down Japan," the article contends, "China is contributing almost as much to the cause of the peace-loving nations as British rearmament or President Roosevelt's speeches. In fighting for herself, China is fighting for us."

While China welcomes the reports from London that she might be invited to join the anti-aggression front, official Chungking is paying close attention to recent developments in Europe. Speculating on their possible repercussions on the situation in the Far East, Chinese commentators are unanimous in the opinion that China will not allow anything that may happen in other parts of the world to influence her decision to carry on the war with Japan.

In connection with the rumors of peace, authoritative quarters in Chungking are inclined to see a possible change of policy towards Britain. Despite British financial assistance, according to a *Transocean* report, there is a marked tendency to sheer away from Britain as it is feared that Britain might sacrifice her support of China in favor of a policy designed to bring Japan into line with her plans for the encirclement of the totalitarian powers in Europe. The statement issued by Gen. Chiang Kai-shek last week to the effect that China is at present not in a mood to talk peace, is being interpreted as an indication of China's rejection of any British mediation attempt.

Europe and China

Referring to China's possible participation in the anti-aggression bloc, Chungking circles point out that peace, to be effective, must be world-wide. They believe that a combination of British, French, Russian and American anti-aggression policy could bring Japan to her knees in three or six months. Such a policy should include an economic embargo against Japan, refusal to sell needed war materials to Japan, refusal to buy Japanese products and positive aid to China, it is recommended.

The same circles also emphasize the value of China's participation in the anti-aggression front to the European democracies. If China is brought into the peace coalition, they point out, Britain and France will have a staunch partner in the Far East, whom they should help to end the war in order to keep from dissipating their strength.

The Chinese papers in Shanghai likewise stress the necessity of the extension of the anti-aggression front to the Far East. The *Chung Mei Jih Pao* declares that the anti-aggression bloc will not be complete without the inclusion of China. With her inexhaustible manpower and material resources, the paper says, China is in a position to contribute greatly to the cause of world peace. Moreover, she is now fighting against one of three aggressor nations, thus helping to dissipate their combined strength.

Outcry Against Britain

While the matter of China's possible participation in the anti-aggression bloc is still in the stage of a talk, Japan has lost no time in raising an outcry against Britain, and Tokyo newspapers demand that Japan should revise her attitude towards British rights and interests in China. By attempting to extend the democratic front to the Far East, Britain is charged with assisting Gen. Chiang Kai-shek in his continued resistance to Japan and in the Bolshevization of East Asia. The Tokyo press threatens to intensify the anti-British agitation in Japan as a measure to counteract the British plans.

President Roosevelt's peace message to Hitler and Mussolini has provoked sharply different reactions in China and Japan. Voicing the sentiment of the Chinese government, Dr. H. H. Kung expressed whole-hearted approval of the message and declared that President Roosevelt's efforts for peace deserve the thankful admiration of all peace-loving nations.

Tokyo newspapers viewed the President's message as an indication of the United States' attempt to "control Japan." This and the extension by Britain of the "encirclement policy" to the Far East were described by the *Miyako Shimbun* as "storm clouds over the Far Eastern horizon."

In a message to the United States Congress, the Chinese Civic Association in Shanghai urged Congress to enact an embargo against the shipment of scrap-iron, cotton and oil to Japan. The cablegram said that such action by Congress would "bring the mass murder of innocent civilians to an early conclusion and result in the re-establishment of order and justice in the Far East."

"Japanese militarists are at present not only holding up the Rome-Berlin Axis but are most anxious to strengthen it into a military alliance," declared Gen. Wu Te-chen, former governor of Kwangtung and mayor of Shanghai, in Hongkong, where he recently arrived after a tour of interior provinces. Gen. Wu said he firmly believed that Japanese plans for the establishment of a puppet central government in China were doomed to failure, because no Chinese would be willing to head such a regime.

The present total mileage of highways and motor-roads in China is 72,140 miles, while the number of motor vehicles is around 72,000, or one car per mile, according to official figures released in Chungking.

Spiritual Campaign Launched

The National Spiritual Mobilization Movement sponsored by Generalissimo Chiang Kai-shek was launched last week. In a radio speech broadcast from Chungking, Gen. Chiang expounded the significance of the movement, pointing out that the spiritual power of the people transcends all material and military strength.

Pledging their support to the movement, more than 1,000 Chinese Christians gathered in the Lewis Memorial Institutional Church in Chungking last week to pray for its success. The meeting was sponsored by the National Federation of Chinese Christians headed by Gen. Feng Yu-hsiang.

All Chinese newspapers in Shanghai observed the movement on April 21. A stirring manifesto was issued, stressing the necessity of spiritual mobilization and urging the entire nation to fight on until the ultimate triumph is achieved. The loyal stand displayed by the Chinese in Shanghai was highly praised by Gen. Chang Chun, secretary-general of the movement.

Taking advantage of the occasion, Chinese newspapermen issued a manifesto, condemning Wang Ching-wei for his treacherous activities. Declaring that China's salvation lies in prolonged resistance, the newsmen pledged that they would do their utmost to suppress the subversive activities of the traitors under Wang's direction.

The Flag Incident

In connection with the "flag incident" in the French Concession in Shanghai, official circles in Chungking expressed deep regret that the incident should have occurred shortly after the arrival there of the French Ambassador, Henri Cosme. While in Chungking, the new French envoy pledged to do his utmost to strengthen the bond of friendship between China and France. Petitioned by the Chinese residents in the French Concession, the Ministry of Foreign Affairs in Chungking has now taken up the matter with the French embassy and is understood to be insisting on that in future the French Concession authorities must not interfere with the flying of the national flag on all occasions.

The National Government announced that Chinese students studying abroad would be restricted during the remaining period of the national emergency to those specially assigned by the government and others enjoying the proceeds of substantial scholarships at foreign universities. The new regulations are designed to synchronize China's war-time and post-war needs for technical personnel with the supply of scientifically trained students and to curtail the present drain on China's reserve of foreign exchange.

According to an order issued by the National Government, all Chinese civilians must in future salute Chinese soldiers wounded in war against the Japanese by removing their hats and bowing.

To cope with the rapid expansion of China's communications system, some 2,000 young Chinese are undergoing an intensive training as truck drivers in Kunming, capital of Yunnan.

Moscow Views Situation

Japan's military adventure is causing growing discontent among the Japanese workers and farmers who are bearing the brunt of the war in China, according to a survey made by the press in Moscow. The Soviet papers point out that sharp friction within the Japanese ruling clique was made apparent by the discussion at the recent 74th session of the Diet. This friction clearly reflects the ruling group's apprehension of the unrest of the working and peasant classes. The Japanese militarists promised the masses that the war in China would be a "walkover," but now they are urging the people to be prepared for a "war of hundred years." Baron Hiranuma, the premier, was compelled to admit at the session that the present situation in Japan contributes to the growth of communist sentiments, the Moscow press asserted.

Owing to some unrevealed "delicate circumstances," Gen. Minami and Admiral Seizo Kobayashi, governors-general, respectively, of Korea and Formosa, are reported to have decided to resign their posts when they visit Tokyo in May.

The trade in wolfram and autimony in South China is now monopolized by the Japanese military authorities, the monopoly having been granted to three Japanese firms, namely, Mitsubishi Shoji Kaisha, Mitsui Bussan Kaisha and Sugihara Sangyo Kaisha.

Sotomatsu Kato, of the Japanese embassy in "Manchukuo," is expected to arrive in Shanghai shortly to replace Masayuki Tani as Japanese minister-at-large, according to a Japanese report.

Tokyo Cabinet Members Given Plane for Travel

An eight-passenger airplane has been provided for the exclusive use of members of the Japanese cabinet, it was announced in Tokyo this week, according to *Transocean*. The plane, specially constructed, is sound proof, so that ministers will be able to confer while travelling between cities. Instrumental in acquiring the machine was Mr. Harumichi Tanabe, Minister of Transportation. Powered by two 450 horsepower motors and having a cruising speed of 300 kilometers per hour, the monoplane is of the parasol type and is constructed of wood and metal. The plane will later be used as a model for the serial manufacture of similar machines for use in commercial aviation.

Japanese 'Shatter' Counter-Offensive Which Chinese Claim Never Started

BEWILDERED observers of the Sino-Japanese war, especially newsmen whose task it is to handle dispatches, were this week wading through reams of reports from Chinese and Japanese sources in a hopeless effort to ascertain whether the much-heralded "Spring counter-offensive" by Chinese forces was actually under way, and if so, what the initial results had been.

During the week ended April 15 (see *The Review* for that date) dispatches from Chungking claimed that the counter-offensive was under way on all fronts. Field dispatches tended to bear out the claim. During the following week, reports from the Japanese military in Tokyo (see *The Review* for Apr. 22) claimed that the Chinese counter-offensive had not only been stopped but converted into a defensive action by Japan's "guerrilla-crushing" operations.

Claim 70 Towns Recaptured

On Apr. 22, the Chinese military spokesman in Chungking stated that "during the past twenty days, the Chinese have recaptured over seventy important towns, arousing optimism and confidence right throughout the country." (*Reuter*). The spokesman added, however, that the Chinese had not yet launched their general counter-offensive. Their present aim, he said, "is to make use of the mountainous regions, to draw the Japanese further inland where their superior equipment will be useless to them. When that moment arrives, the Chinese armies will deliver a serious blow to the enemy, gradually wearing down their fighting strength."

Quite undismayed by this belated declaration that the Chinese counter-offensive (despite the recapture of 70 important towns) was not yet under way, the Japanese Army, throughout this week, have been flooding newspaper offices with lengthy dispatches through *Domei*, showing that China's counter-offensive has been smashed, shattered and brought to nought on all fronts, north, south, east and west. Japan's certitude of victory is sufficiently illustrated by the following captions which *Domei* placed over its dispatches commencing Friday of last week, each dispatch citing field dispatches or high military spokesmen:

APRIL 21—Shansi Offensive Said Smashed.
APRIL 22—Chinese Offensive in South Collapses.
APRIL 22—"April Offensive" Said Failure.
APRIL 22—Chinese Attacks in North Shattered, says Tokyo.
APRIL 25—Chinese losses in South Placed at 14,000 in Month.
APRIL 25—40,000 Chinese Claimed Slain in April Drive.
APRIL 25—Air Supremacy Credited With Foiling Offensive.
APRIL 25—Chinese Offensive Claimed Turned Into Rout.
APRIL 25—Ma Offensive Foiled After Yellow River Ford.

The Future Tense

While Shanghai daily papers were faithfully recording this series of "decisive victories," the Chinese *Kuo Min* agency, in a message from Chungking Apr. 24, said that Gen. Chiang Kai-shek had decided to direct personally the *forthcoming* counter-offensive on the Central China front, which was declared to be "imminent." The same agency reported on the same day that official quarters in Chungking had expressed satisfaction with the progress of the initial Chinese counter-attacks on the various fronts, which were only "preliminary movements" for the launching of the counter-offensive.

According to *Reuter* from Chungking (Apr. 23) Chinese forces "have now begun an offensive along the East China front." Chinese troops, it was stated, were advancing in three columns along the Hangchow-Nanking highway towards the Nanking and Chinkiang areas, while another column was pushing towards Huchow, on the southern shore of Taihu (lake). Additionally it was claimed that Chinese forces were pushing towards the Hangchow and Kashing areas. *United Press*, reporting South China events from Hongkong on the basis of Chinese dispatches, said Apr. 22 that Chinese forces converging on the Canton front from the southwest and northwest had succeeded in forming a common 90-mile front stretching from the north bank of the East River in a semi-circle around Canton through Tsengshing on the Canton-Hankow Railway. Troops in this sector, it was stated, claimed to have recaptured 5,000 square miles of territory around Canton.

Statements on Nanchang

On Apr. 24, according to *Kuo Min*, the key city of Kaoan on the Nanchang-Wantsai highway, was recaptured by Chinese troops for the second time. Four days previously, a spokesman for the Military Affairs Commission in Chungking (also according to *Kuo Min*) declared that "militarily, polit cally and economically the fall of Nanchang, provincial capital of Kiangsi, cannot affect the general military situation. In fact the abandonment of Nanchang is favorable to China's campaign of resistance." When Nanchang was captured by the Japanese toward the end of March, Chungking spokesmen at first denied the city had fallen, then admitted that the loss was a serious one since it cut China's last rail outlet to the sea and gave the Japanese an advantage in the drive on Changsha, provincial capital of Hunan.

It was reported early this week that Wenchow, last Chekiang port remaining open to foreign shipping, was closed by the Chinese military authorities following receipt of authoritative reports that Japanese warships had converged in the vicinity. All foreign vessels lying there were ordered to clear the mouth of the Wukiang before midnight last Sunday, while ships en route to Wenchow were warned of the impending closure, the reports stated.

Wenchow Is Closed

On Wednesday of this week, local shipping circles expressed the view that either Wenchow or Ningpo would be reopened in the near future, especially since large cargoes have accumulated here awaiting shipment to the interior via the Chekiang coast. An unconfirmed report said that Japanese warships bombarded Wenchow and Wanghwakwan for several hours last Saturday.

Kinhua, provisional seat of the Chekiang Provincial Government, was subjected to another air raid on Apr. 23, *Kuo Min* reported. Eight Japanese planes dropped 19 bombs, including incendiaries, the agency said, killing scores of civilians and destroying 165 houses. Other Chekiang towns bombed the same day were Chenhai, Chuhhsien and Lishui. Shanghao, in western Kiangsi, was also bombed the same day.

Last Friday, Apr. 21, foreign property in Foochow was damaged in a Japanese air raid, *Reuter* reported from Swatow. A German godown was said to have been razed, while an American hospital flying the Stars and Stripes was bombed. The Customs House was also damaged. Bombs fell near the Jardine, Matheson property, shattering the windows. Four steamers, the *Seistan* (British), the *Sandviken* (Norwegian), the *Prosper* (Norwegian) and a Greek vessel, were boarded by the Japanese at Sharp Peak, near Swatow, the previous week. The British destroyer *Scout* placed armed guards aboard the *Seistan*, thereby preventing her removal, but the *Prosper* was taken by the Japanese to Formosa.

Rumors of concentrations of Japanese ships and troops in Formosa, *Reuter* reported Apr. 24, were causing the Chinese population of Swatow to leave the city in large numbers.

British Mission Bombed

A British Mission at Tsingchow, in southern Shansi, was "apparently deliberately bombed by Japanese airplanes" on Apr. 4, according to belated reports reaching Chungking early this week and relayed to Shanghai by *Reuter*.

Among the buildings burned during the air raid on Hengyang, Hunan, on Apr. 6 was a Chinese military hospital where several hundred soldiers were receiving treatment. After the flames had subsided, it was found that only a few of the inmates had been able to fight their way out of the wrecked building to safety. The rest lay dead in the ruins. This fact is related in a letter received by Mrs. R. F. Kepler of Shanghai, whose husband, the Rev. R. F. Kepler, is residing in Hengyang.

Taken to Kaifeng in a Japanese military airplane, five foreign newspaper correspondents were visiting in the captured Honan city this week, among them Mr. Douglas Robertson of the *New York Times*, the *Domei* agency reported.

Japan does not intend to extend her defense lines to include the recently-seized Spratley Islands off the coast of French Indo-China, Rear-Admiral Masao Kanazawa, spokesman for the Navy Ministry, declared Apr. 20, according to a *Domei* report from Tokyo. The Japanese Navy, he reportedly added, did not propose to make active use of the islands for strategic purposes.

King No Longer Officer of Eire, De Valera Says

The King of England is no longer regarded as a constitutional officer of Eire, President Eamon de Valera, declared in the Dublin Senate Apr. 19, *Transocean* reported. The report added that henceforth Irish passports will be issued in the name of the Irish Foreign Minister, instead of His Britannic Majesty. On Apr. 23, speaking at a gathering of his own party in Dublin, Mr. de Valera declared that the attitude of Ireland in time of war would be determined by the Irish parliament and by no one else. He added, however, that despite certain differences with Britain, Ireland could best secure her national liberty by cooperation within the British Empire.

Oil Workers in Assam Walk Out on Strike

A strike was declared this week by workers employed by the Assam Oil Company, according to a *Transocean* dispatch from Calcutta, which said that all English families had been removed to safety from the region of the labor flare-up. Reports from the strike center, the agency claimed, said that all Europeans there were living in a state of "siege," since their servants had joined the ranks of the strikers. The strike, it was predicted, would be of long duration, having been very well organized.

Canton Under the Rule of Nippon's Army—As Seen by a World Traveler

BY RICHARD HALLIBURTON

(Kansas City Star, March 5, 1939)

Editor's Note—In the two previous issues of The Review we reprinted articles by Richard Halliburton in which he recorded his impressions of Japan and of Shanghai. Following are his impressions of Canton under Japanese occupation, set down at the beginning of February this year. Mr. Halliburton's junk, the Sea Dragon, in which he set out from Hongkong to cross the Pacific several weeks ago, is still missing, although the famous traveler has not yet been given up as lost. The last radio message from the Sea Dragon was sent out from the region of Midway Island during a severe storm.

SEVENTEEN years ago—way back in 1922—I spent a month in this city. I had come here to spend a day, but in that one day I quickly found out that Canton is (was) one of the world's most fascinating cities, and well worth all the time a visitor can give to it.

Canton is the commercial center for 50 million Chinese—and has been for centuries. Its citizens have a great reputation for thrift and business craftiness. But they have always been great adventurers, too. From Canton a steady stream of emigrants has flowed forth to populate—and exploit—foreign lands. In California, in Hawaii, in Siam, in Burma, in the South Seas, one finds large colonies of prospering Celestials—from Canton.

Curiously enough, along with this commercial and adventurous spirit, has gone an artistic spirit. The Cantonese are famous throughout China for their good taste and their love of beauty. In the arts and crafts they are unsurpassed. Their jade and ivory carving has made their city the center of the world's jade and ivory industry. Much of the superb art objects—glass, pottery, embroidery, lacquer—one finds in Chinese shops and houses, came from Canton.

In Days of Yore

Just to walk through its streets, in the old days, was a romantic experience. There was Jade street, three blocks long, lined on both sides with jade shops. On sunny days, with a great part of the jade of the world on display, this street made a dazzling spectacle. Near by was Ivory street, and a hundred shops overflowing with exquisite ivory gods and goddesses, ivory animals, ivory pagodas, ivory figurines, ivory ships and fans and screens.

The Cantonese, above the people of other Chinese cities, have known how to be gay. I was astonished, at the time of my first visit, to find the streets packed with promenaders all night long. The restaurants, theaters, gambling houses, seemed never to close. And with so much color and laughter and beauty to enjoy, indeed it did seem a pity to go to bed.

The Contrast

Now, in 1939, I have returned, to find this sunny city, this goodnatured, life-loving city, gutted by fire, shattered by war; its once-teaming streets empty, its jade and ivory buried in the ashes, its million people gone with the wind.

I'm one of the few Americans who have had the opportunity to visit Canton since the pall of death and destruction descended upon it. For several weeks I tried to get there, but my junk-building activities in Hong Kong—a hundred miles away—gave me no opportunity. Not till the *Sea Dragon* had its trial trip, and was put back in dry dock for a few minor adjustments, was I free to concentrate on Canton.

The fall of Canton (which, after Shanghai, was the richest and most important city in China) made big news throughout the world. Here in the Far East, the news caused as much of a sensation as the fall of Nanking—and far more dismay. The Chinese armies had fought long and heroically to defend Nanking. But at Canton there was almost no defense at all. This city is about 100 miles up the Pearl river. The Japanese, landing on the coast, marched the 100 miles in eight days, practically unopposed.

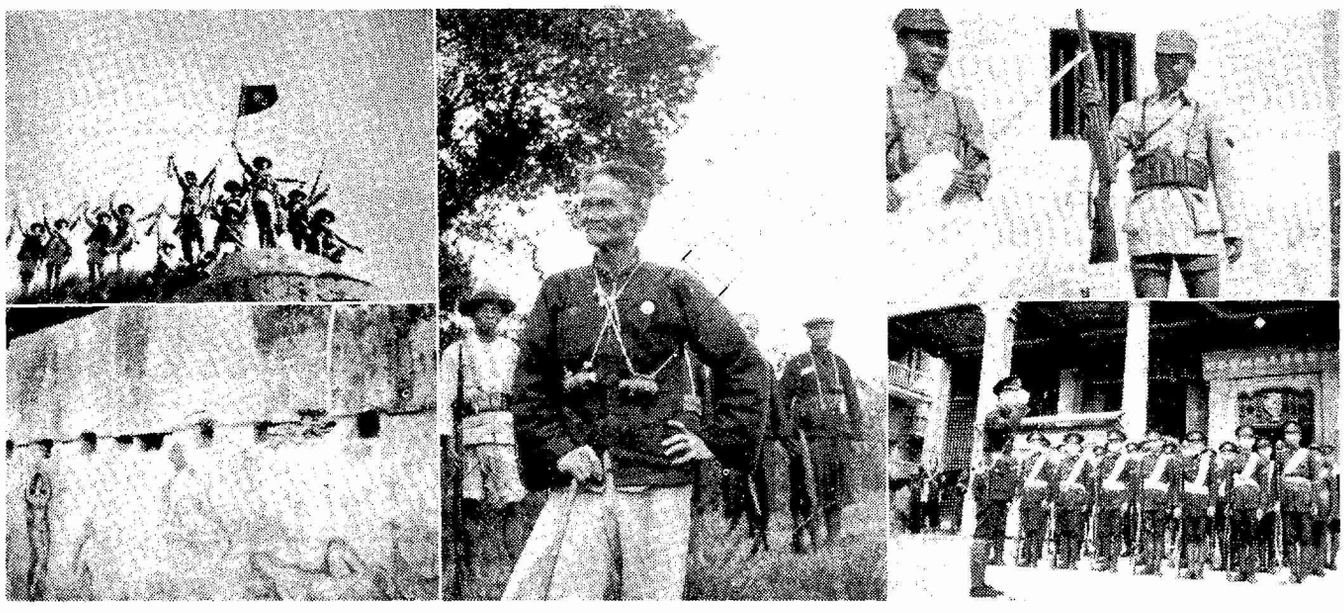
For weeks before the final capture, Japanese airplanes had methodically bombed Canton, trying to destroy the railroad stations and freight yards, and prevent war materials from being shipped from Canton to the Chinese armies farther north. More than 10,000 citizens were slaughtered. Whole blocks of buildings were leveled. But the flow of munitions kept up. The Japanese then decided to seize the city itself. To their own astonishment it fell with unbelievable ease.

But something truly extraordinary took place. As the Chinese military defenders retreated before the advancing Japanese columns, the citizens themselves, more than one million of them, picked up their possessions (or left them behind) and fled. On Monday, Canton had been one of the busiest cities in the world, its wide streets packed with traffic and life. On Wednesday only a few homeless dogs and blind beggars remained to people the great city. Stoically, with scarcely a backward glance, a million citizens evacuated their doomed town, and disappeared into the countryside. They opened the jails, released the lunatics, emptied the hospitals. Flowing out the main avenue, leading west, for three days and three nights, there was a solid river of humanity, twenty-five men across.

As this crush of Chinese moved away, fires broke out, in a hundred places at once, all over Canton. Rather than leave their homes and shops for the Japanese to occupy, the Cantonese put them to the torch. With not a hand to stay them, these fires swelled together into one vast, terrifying conflagration, roaring across the city.

As unrestrained as the fires were the thousands of looters, who, unopposed by

The War Still Goes on Down South



These pictures, just received here from South China where lately, according to Chinese dispatches, something in the nature of a Chinese counter-offensive has been in progress, were all taken in Kwangtung province, not far from Canton. The two pictures at the left show: Above: Chinese soldiers hoisting the National Flag over a town which they have just recaptured; below are seen some lewd pictures drawn by Japanese soldiers on the walls of a town from which the invaders have been driven out. Center picture is of a 78-year-old Chinese guerrilla fighter whose grim expression betokens the spirit of Chinese resistance. At right (above) Chinese soldiers proudly display war trophies taken from the Japanese. Below, police officers in Taishan, mobilized for war service, are seen on parade.

police or soldiers, had a lovely time. In the wake of the fleeing citizens, the looters, staggering under the goods they had seized from deserted shops and homes, were seen trying to escape, with the Japanese advance guard right at their heels.

In the midst of the chaos the Chinese began dynamiting their own ammunition dumps, their guns, lorries, bridges, power stations. The burning city rocked with violent explosions that sent geisers of smoke and flames hundreds of feet into the air. And, as if these were not misfortunes enough for Canton's helpless citizens, the Japanese army pilots amused themselves by flying up and down above the avenues, pouring machine gun bullets into the struggling mobs of fleeing humanity.

Japanese in Majority Now

When the Japanese at last occupied Canton, they came into possession of a ghost town, whose only inhabitants were the halt and the blind, cowering in the ruins. That was last October. Since then the Japanese authorities have done their best to bring order from the wreckage. They have cleared the streets, repaired bridges, established food kitchens and broadcast to all the territory roundabout: "Your city is good as new, come back to your happy homes."

But the great mass of Cantonese did not, and have not, returned. Twelve weeks have passed, and the Japanese soldiers still make up the majority of Canton's citizens. Naturally the invaders are indignant at this passive, but stubborn, resistance. Tokyo had counted on a rich income from taxes and trade in this former center of commerce. So far the only reward, in return for the huge expenditure of money and material, has been ashes and hatred.

It is extremely difficult nowadays for an American or a European to get from Hong Kong to Canton. The Japanese allow no trains and no foreign commercial ships to make the trip. But England and America have lately been sending several gunboats back and forth; and the Japanese have not yet quite dared to interfere with these warships.

After considerable wire-pulling, I finally got aboard the *Mindanao*, one of the American gunboats. The other passengers, perhaps a score, were mostly medical missionaries returning to their wrecked schools and hospitals. During the 10-hour ride up the river we passed at least fifty Japanese ships—cruisers, destroyers, patrol boats and freighters carrying supplies.

When I was in Canton in 1922, the city's riverfront swarmed with sampans. Canton had the biggest floating population of any city in the world. But now, as we approached, I soon saw that the sampan dwellers had followed their dry-land brothers. There are perhaps 100 boats left, where once they numbered 20,000.

A Charred and Tragic City

As at Shanghai, Canton has a foreign settlement over which fly the flags of England and France. It's an artificial island called Shameen, 300 yards wide and a mile long, running along the river bank. Although this settlement escaped the bombing and the burning, nearly all the residents departed when the city fell. Landing at the island, I crossed to Canton proper, on the mainland. Japanese pillboxes and sentries confronted me at every step. I had a special pass, which I had to show at every street corner.

Such a derelict, tragic city! Canton was proud of its wide avenues, and of the dense care-free throngs that once filled them. But walking along them now, between charred and blackened ruins, one sees scarcely a single hint of life. Some of the streets are lined with trees. Even these the fire has scorched to death. The trees stand, but they are lifeless and black.

Along the main avenue, columns of Japanese soldiers marched up and down. They looked sturdy, well fed, and cheerful, if shockingly dirty. Their uniforms were caked with mud, their boots and puttees in shreds, their faces unshaven. Had they just entered the town after a battle, this filth and disarray would have been expected. But they had been stationed here for more than two months.

Everywhere I walked in Canton, I encountered fire-charred walls. The worst wreckage surrounds the craters dug by the 500-pound bombs. In trying to hit the railroad yards, the bombs frequently went wide of the mark and landed in blocks of densely populated, jerry-built tenements. The ghastly horrors that such bombing caused are sickening to imagine.

Many Motor Cars Abandoned

Several times the real objective, the railroad yard, *was* hit, with appallingly successful results. And then this wreckage was again blown up by the retreating Chinese themselves. Walls, rails, poles, railroad coaches and engines, earth and concrete, are scrambled insanely together over a space of several acres, to a depth of thirty feet. On the top of the heap I saw a dozen shattered anti-aircraft guns mounted on railroad trucks. These the Chinese had dynamited before they retreated.

Canton's streets are still lined with wrecked motor cars. There were probably 3,000 in the city before its fall. Hardly one escaped. When the great exodus began, the roads were so jampacked with refugees that motor cars could not move. They had to be abandoned wherever they were. Sometimes the Chinese owners took time to empty the gas tank over the car itself, and set fire to it. But oftener, in their fear and haste, the owners just walked away and left their cars perfectly intact—sometimes with the key in the switch. These were pounced upon by the Japanese, who lost no time in using them to pursue the fleeing citizens. But hundreds of the burned wrecks of cars, after all these weeks, remain where they were left, each one a very picture of desolation.

There is no disaster so great as to extinguish the Chinese trading instinct. A few Chinese, more mercenary than patriotic, have slunk back into Canton and opened a market where the looters and the Japanese can buy and sell the property stripped from unguarded homes. This market, during the early days, was a scene of great activity. Here one could buy Leica cameras, seized in a camera shop, for a dollar. The traders had no idea what they were. New electric refrigerators went for $3; grand pianos, sitting out in the rain, for their value as firewood.

Vow Never to Return

The Japanese still cling to the hope that, in time, the Cantonese will overcome their fears and return to the wreckage of their homes. They loudly claim that 300,000 already have come back. The true figure is probably nearer 10,000. The Cantonese vow they will *never* come back so long as one Japanese soldier remains. If Japan is forced to retreat, Canton will enjoy a miraculous repopulation, with 100,000 Chinese at a time pouring back to take up their lives again. And some day soon—though the outlook is dark at present—this may come to pass.

I've written this dispatch in Canton (February 1), but I cannot post it here. All mail is rigorously censored by the Japanese. And *this* letter, certainly, would never pass. So I'll take it to Hong Kong when I go there tomorrow on a British gunboat. By the time I return, the *Sea Dragon* will be ready to sail.

U.S. Warships Convey Foreigners Down River

Forty-three foreign men, women and children arrived here this week from Hankow aboard the U.S.S. Isabel, private yacht of Admiral Harry E. Yarnell, Commander-in-Chief of the U.S. Asiatic Fleet, and the U.S.S. Oahu, gunboat.

While Americans dominated the group, Russians, Norwegians and Swedes were also included in the passenger list.

The U.S. warships were acting as transports for foreigners who had long desired to leave Hankow but who were unable to depart because of a lack of transportation facilities. Americans going aboard the U.S.S. Isabel were listed as: Mr. Allen R. Boynton, Mr. Alexander R. Buzzell, Mr. E. C. Stocker, Mrs. A. E. Edwins, the Rev. Thomas A. McCormack, Mr. Wilhelm R. Thiessen, Mr. Arthur J. Hansen, the Rev. and Mrs. George Holm, Mrs. Amanda B. Skepstad, Mr. Borghild A. Skepstad and daughter, Faith E. Skepstad. the Rev. and Mrs. A. E. Diers, Mr. Acton Hughes, Mr. Robert Beyer, Mr. Richard D. Eppes, Mr. Joseph, Mr. Morreale, Mr. and Mrs. H. Nelson and sons and daughters, and Miss Doris Rubens, *United Press* Hankow correspondent.

Russians Get Passage

Russians aboard the U.S.S. Isabel: Mr. and Mrs. N. Tarabarin. Mr. Tarabarin is Counsellor of the Soviet Embassy.

Swedes aboard the U.S.S. Isabel: the Rev. and Mrs. D. R. Wahlquist.

Americans aboard the U.S.S. Oahu: Mr. A. E. Fitzsimmons and Mr. Frank W. Lilley (traveling as far as Kiukiang only).

Swedes aboard the Oahu: Mr. Richard S. Bjorkdahl and son.

Norwegians aboard the Oahu: The Rev. Henrik Vika.

Russians aboard the Oahu: A. Serebryakov, S. Zalconin, A. Kravenchenko, A. Rojkov, V. Tverskoy, F. Poluhin, M. Churikov, T. Myaskov and A. Valiev.

Chinese Soldiers Fire on British Airliner

Apparently mistaking the British airliner *Delphinus* of the Imperial Airways Co. for a Japanese craft, Chinese troops fired upon it when it made a forced-landing on the shore of Kwangchow Bay owing to bad weather, the pilot revealed Apr. 21 on the arrival of the plane at Hongkong from Fort Bayard, according to *Domei*. Shortly after hopping off at Fort Bayard the airliner landed along the bay to wait for favorable weather, when it was greeted with a fusillade of shots from Chinese troops. Preferring to take his chances with the weather rather than bullets, the pilot quickly got off the ground again. In Hongkong it was found that the right wing and tail wing of the plane bore a large number of bullet marks while one bullet missed the gasoline tank by one inch, the agency said.

Eurasia Resumes Service

The German-controlled Eurasia Aviation Corporation has resumed its service on all lines following a temporary suspension of service because Japanese bombers had shot down a giant Junkers airliner near Hokow in the vicinity of Mengtze on April 13, *United Press* reported from Chungking last week.

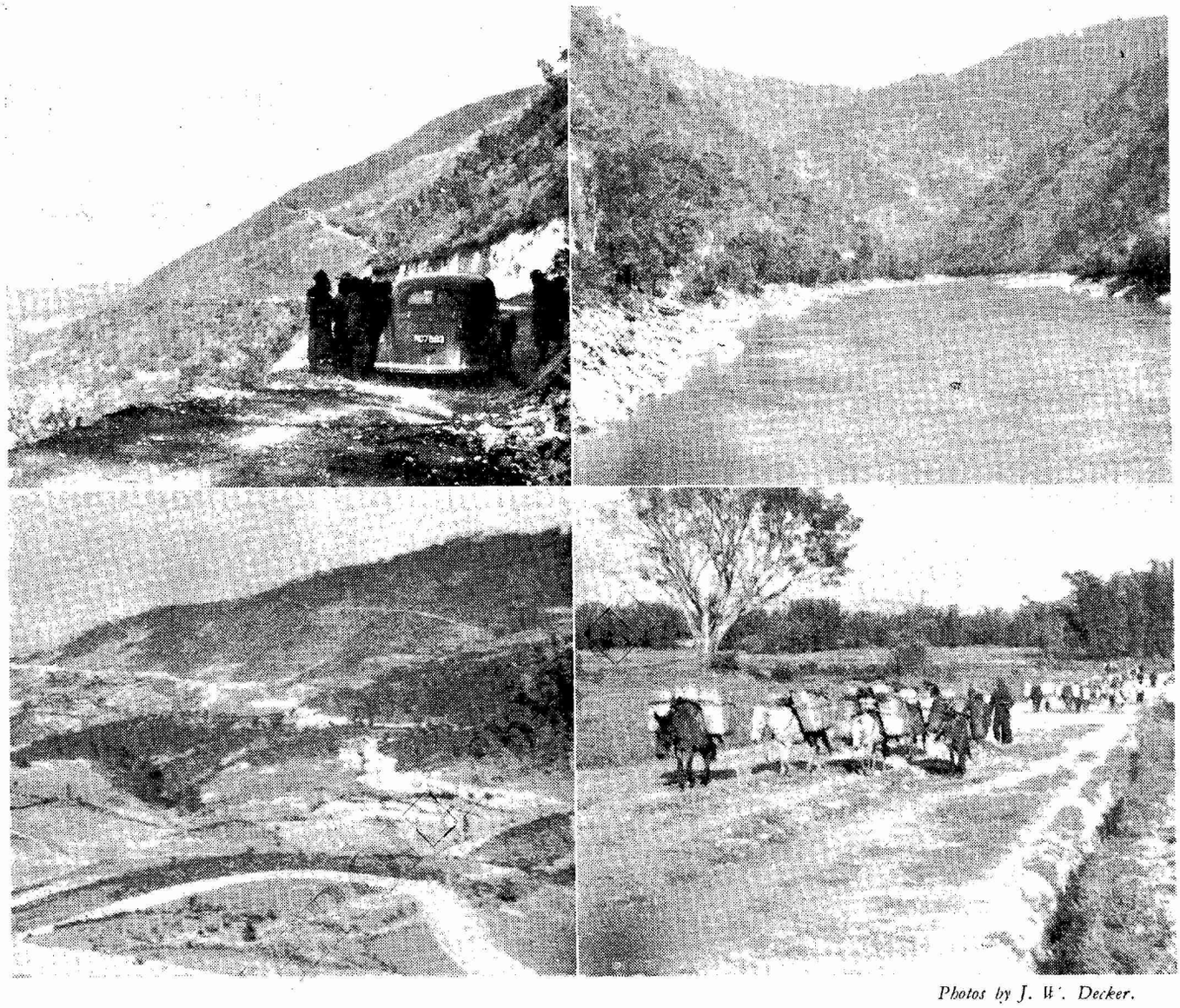
Eurasia officials said that they were planning to purchase a new Junkers plane in order to carry on the increasingly heavy air traffic.

Szechwan-YunnanRail Will Open This Year

The Ministry of Communications has despatched Mr. Chow Pai-nien to Chengtu, provincial capital of Szechwan, to make arrangements with the Szechwan Provincial authorities on measures for accelerating construction work on the Shuchow-Chinfu section of the Szechwan-Yunnan Railway, according to a *Kuo Min* report from Chungking.

It is understood that arrangements have already been made with the Yunnan Provincial Government for the acquisition of the land necessary for the railway line. Construction work on the Shuchow-Chinfu section of the railway will commence immediately. It is understood that the work will be concluded, and the new railway inaugurated, before the end of the year, the agency said.

The Highway Which Connects China With British Burma



Photos by J. W. Decker.

The above pictures of the Yunnan section of the Burma-Yunnan highway, now the main artery of war supplies reaching China, were taken by an American who travelled the highway recently. They show the varied topography of the country through which the highway passes. The different levels of the road are admirably shown in the pictures at left. Right (above) is a view of the Mekong Gorge. The highway, not shown, runs along the left bank at an elevation. Lower right indicates the primitive types of transport encountered along the way.

Gunboat Forces Release of British Steamer

The British steamer, *Hsin Haimen,* while proceeding from Foochow, provincial capital of Fukien, to Swatow, eastern Kwangtung, was detained by a Japanese gunboat on Apr. 20, *Kuo Min* reports. The Japanese warship, after stopping the steamer, attempted to force her to change her course and proceed to Formosa. The captain of the *Hsin Haimen* thereupon sent an urgent wireless message to a British gunboat at Foochow. The British gunboat arrived on the scene shortly afterwards, and her commander made strong representations to the captain of the Japanese gunboat. Subsequently, the Japanese gunboat permitted the *Hsin Haimen* to proceed to Swatow.

Four Russians Sentenced to Prison in Formosa

Sentence of a year's imprisonment with hard labor was imposed upon four Shanghai Russians convicted in the Takao (Formosa) district court of violation of the Military Secrets Act, *Domei* reported from Taihoku Apr. 21. The convicted men are: B. B. Loboda (31), Anatoly Tetukoff (29), Valenti Pizozaroff (28) and Michael Volenkovsky (39), all former residents of the French Concession in Shanghai.

The convicted men left Shanghai on Feb. 25 in a junk and allegedly landed on the Ibosui coast in the Pescadores, a strongly-fortified area, where, according to the charge, they took surveys. The men claimed that their compass had been damaged and that they had drifted into the prohibited area. Their junk has been confiscated.

Korea Now Inhabited by 22 Million People

According to official figures released by the Governor-General, the total population of Korea at the end of 1938 was 22,633,851, which represents an increase of 278,866 over the previous year's figures. Classified according to nationalities, the figures are as follows: Japanese, 633,320; Koreans, 21,950,716; and foreigners, 49,815.

Diplomacy Debunked—Or Why the Coming World War Will Be Fought

Editor's Note—The following article, condensed by the "Magazine Digest" from the well-known Paris journal "Crapouillot" for January, 1939, has a timely interest in view of the intense diplomatic activity which currently is preparing the alignments in the coming world war. By drawing aside the veils which tend to shroud the real substance of international rivalry, the author reveals the actual interests which may shortly be submitted to the arbitrament of arms. It is not an enticing picture, but for that the author is not to blame.

THERE are few topics about which there is greater confusion in the popular mind than that of foreign policy.

This is not only becamse foreign politics lie beyond the domain of our immediate personal experience. As remote as biochemistry and atomic theory are from the man on the street, popularization has, nevertheless, managed to impart certain elementary notions about them to large circles of people. Not so with foreign politics. Here the taboos of state interest have operated to cover up the true facts.

But more than secrecy, direct falsehood and the finely cultivated art of the half-truth have been mobilized to deceive people about the true motives of diplomacy.

A Supreme Law

The relations between states, by very definition, can easily arouse two of the most primitive instincts of man—aggressiveness and herd-instinct. The chiefs of foreign policy have one supreme law: TO CULTIVATE THESE INSTINCTS TO THE UTMOST BY MAINTAINING THE PEOPLE IN IGNORANCE AND NURTURING THEM ON LIES.

How is this law applied? By a very simple procedure—by drawing on a very primitive mental habit of man: his tendency to explain all phenomena by ascribing his own nature to them (anthropocentrism).

To primitive man, society and nature were much the same thing. Natural phenomena were interpreted in terms of human relations.

The masters of foreign policy present the states as collective individuals, fashioned after the model of private citizens, obeying similar codes of ethics and having similar needs. Nations like men, are supposedly given to love and hatred, to promptings of good and evil. They are right or wrong like any man or woman.

Individual and State

Finally, the individual citizen is taught to identify himself emotionally with the national personality—the state. It is thus that the State becomes endowed with that infallibility and omnipotence, that indulgent complaisance towards one self and malignant criticalness towards one's neighbor that goes to make up the egoism of individuals.

"My country is right because it is my country," is what the English are taught.

Beneath all this hocus-pocus sordid economic interests operate. Foreign policy is guided by the selfishness of a minority that tramples toughshod on the vital needs of the majority of the nation.

If you wish to understand anything about international affairs, do not think after the fashion of a barbarian whose intelligence is hemmed in by his imagination, his emotions and his totem pole. Don't allow your mind to become a rubbish can that receives all the trash thrown at it. Make an objective, dispassionate study of history, geography and economics.

Don't think in terms of nationality, but as a person who, though aware of national differences, is still more conscious of the basic similarity of all branches of the human species.

Don't approach foreign affairs as a subject where sentiment plays a serious role. Friendship, loyalty and love have nothing to do with the conduct of governments—your own or any other.

International politics is a free-for-all where each state is in constant struggle against all others. Alliances are formed and dissolved with reference to the monetary interests of the states involved. All chatter about morality, law and ideals are only ruses meant to stir up the passions of naive people to the point where they will become willing cannon fodder.

2. THERE ARE NO HEREDITARY FRIENDS OR ENEMIES. England, after destroying the first French Empire, united with the Second Empire against Russia, only to desert it in 1870. In 1895 at the time of the Fashoda incident in Africa the two countries almost went to war. In 1914 they fought together against Germany with whom they had united in 1900 against China.

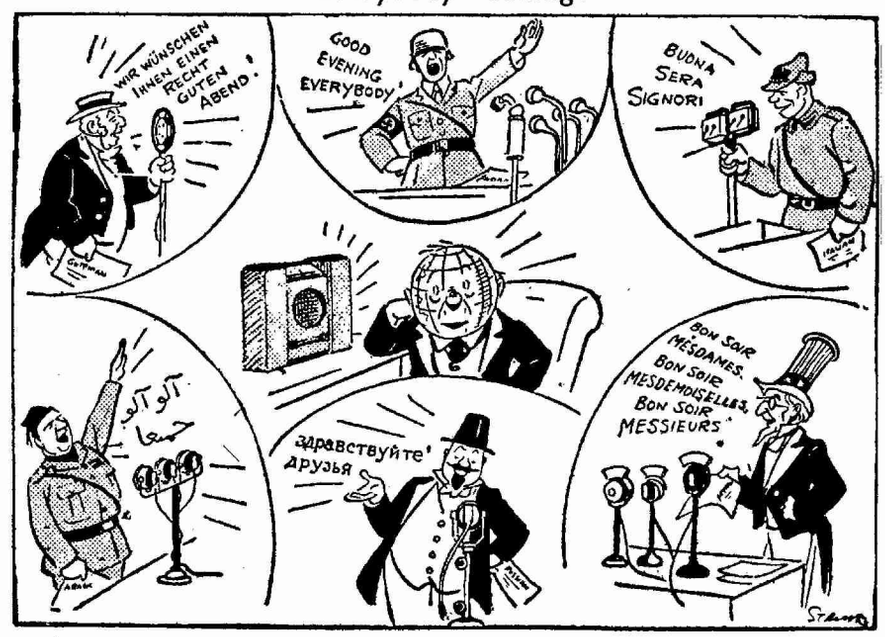
2. THERE IS NO SUCH THING AS LOVE BETWEEN STATES. "Heroic and martyred little Belgium" of 1914 over which sensitive souls have shed so many tears, mobilized its armies on the French frontier during the crisis of September, 1938.

3. THERE IS NO LOYALTY OR HONOR AMONG THE VARIOUS STATES. Italy, allied to Austria in 1914, declared war against in it 1915. In the 18th and 19th centruries France switched its allegiances and alliances countless times, and violated Swiss neutrality on several occasions. If England went to war against Germany in 1914 because of its violation of Belgian neutrality, it had nothing to do with the "sanctity of treaties." England was drawn into the war because the Germans threatened Antwerp—that "pistol aimed at the heart of England."

4. THERE IS NO "REVOLTING OF THE HUMAN CONSCIENCE" AS FAR AS DIPLOMACY IS CONCERNED. Or rather such righteous indignation operates in only one direction.

England and France denounced the Italian atrocities in Ethiopia and the Japanese atrocities in China. But they themselves have vied with each other in massacring, pillaging and exploiting the small peoples of Algeria, Morocco, the Sudan, Transvaal, Madagascar, Palestine, Indo-China (mass executions by guillotine, shootings and aerial bombardments after the revolt of Yen-Bay), in China (Opium War, War of Tonkin, Boxer Rebellion, sacking and burning of the Summer Palace).

Everybody Calling!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London Daily Express

5. THERE IS NO IDEALISM. The U.S.A. embraced the "casue of right and justice" in 1917 in the hope of recovering a part of its war loans, and to dictate its wishes to the exhausted belligerents on both sides. The U.S.A. proclaims the principle of the "open door" in China after having opened the Japanese market with cannon (Expedition of Commodore Perry in 1855). In contrast to the system of "spheres of influence," the principle of the "open door" would permit the financial and commerical supremacy of the Yankee colossus to assert itself.

6. THERE IS NO HUMANITARIANISM. England, France and the U.S.A. wax indignant about Hitlerite anti-Semitism. The same three powers play at passing the buck to one another when it comes to opening up their vast, sparsely settled territories to a few hundred thousand German Jews.

7. THERE ARE NO "RIGHTS OF THE SMALL NATIONALITIES." The Treaty of Versailles prevented the self-determination of the Germans of Austria and the Sudetenland, the Southern Tyrol, Danzig, Memel, Upper Silesia, the Hungarians of Slovakia and Transylvania, and the Ukrainians of Poland.

8. THERE IS NO INDEPENDENCE OF THE SMALLER STATES. These

are subjected politically and economically to the great powers who today are struggling for the control of Spain, Portugal (hitherto the private preserve of Britain), Central and South-eastern Europe and South America.

9. RACIAL CONSIDERATIONS DO NOT EXIST. "Aryan" Germany is allied with Mongol and Eurasian Japan.

10. COMMUNISM, FASCISM AND ANTI-FASCISM PLAY NO ROLE IN FOREIGN AFFAIRS. Fascism has nothing to do with the respective enterprises of Nazi Germany, Fascist and militarist Japan, any more than Communism has anything to do with Russian foreign policy. Hitler, Mussolini and the Japanese militarists are only continuing with more powerful means the *Drang nach Osten* of the semi-democratic Germany of Wilhelm II, the expansionist policy of the democratic Italy of Crispi, and the imperialist expansion that Japan has pursued in China for half a century. In Chinese Turkestan, Mongolia and China, Stalin is carrying on the anti-Japanese and anti-British policy of the Czars.

Chiang Kai-shek, formerly denounced by the Communists as "the hangman of the Chinese people," is today a sacred democratic hero in Stalinist Russia. Russia is at present honoring the memory of Ataturk who hanged Turkish Communists by the hundreds.

Democratic France has allied herself with ultra-totalitarian and ultra-authoritarian Russia for the same reason that she allied herself with Czarist Russia before the war. France is likewise bound by treaty to semi-Fascist Poland and Rumania. Russia, which denounced and threatened "Fascist Poland—the jackal at the slaughter of Czechoslovakia," is now exchanging amorous glances with Colonel Beck whom the French Communists have for years denounced as a "war-monger."

President Roosevelt mobilizes the corrupt dictatorships of Latin America for the defence of democracy (God save the mark!) against America's German, Italian and Japanese trade competitors.

11. THERE IS NO PACIFISM.

All states, regardless of their regime or ideology, prefer "cannon to butter." In foreign politics there are no "good and bad states," no "sheep and wolves."

Law of the Jungle

There are only sated states and unsated states, weak and strong states. All are equally wolves hunting in the world jungle —the thin ones in order to grow fatter, the fat ones to avoid being stripped of their fat, the small wolves in order to avoid being devoured by the larger ones, and to gather the crumbs.

It is necessary to strip diplomacy of its sentimental and ideological trappings and to examine it in all its hideous nakedness.

Foreign policy is the diplomatic aspect, just as war is the military aspect, of the competition among national capitalist states for markets, sources of raw materials, economic spheres of influence. Such rivalry is rooted in the economic system that dominates the world today.

Millingtons Show Profit On Last Year's Working

At the ninth annual general meeting of the shareholders of Millington Ltd., held Apr. 21 at the company's offices, 117 Hongkong Road, Shanghai, the chairman, E. F. Harris, reported that the printing and publishing firm had wiped out the debit balance of $16,181.58 which existed at the end of 1937, and showed a credit balance of $16,070.55 at the end of the year 1938. All branches of the firm showed a profit in 1938, the chairman said. Shanghai made $17,138.40, Hongkong $14,115.66 and Singapore $998.07 (Chinese national currency). A dividend of three per cent was declared.

Magnitude of China Relief Problem Seen in Reports Reaching Shanghai

FOUR months ago, there were homeless children hanging around Chungking street corners, begging for a living. Some were the usual big-city waifs; others had drifted to the provisional capital from the war areas. Now, states a Chungking report, these 1,000 or more ex-waifs are living a disciplined but happy life in a healthy environment in two Children's Homes with every need met by the government. Looking after their well-being is the National Relief Commission which has allotted $2,000,000 to help bring up the nation's next generation.

The Commission, with Dr. H. H. Kung as its chairman, plans to take care of 5,000 refugee children, orphans of the nation's defenders, and street corner waifs from six to 16 years old in and around Chungking. Besides the two Children's Homes now in operation near the wartime capital, two more are under construction and a fifth is being erected. Similar homes will be established in all provinces and districts in the future if the Chungking institutions prove successful, it was stated.

Situation in Kaifeng

In a recent report to Shanghai, the International Relief Committee in Kaifeng, capital of Honan, stated that it was still feeding 7,000 destitute persons in that Japanese-occupied city. Flooding of the Yellow River, it was stated, was responsible for much of the destitution and flood relief work was being concentrated in the main in seven large areas embracing six *hsien*.

The Committee's audited account to Mar. 1, 1939 shows receipts totalling $154,920, of which all but a little under $3,000 had been expended. Of the total, $53,500 came from the International Red Cross and $70,000 from the American Advisory Committee. An additional grant of $60,000 from the latter body, appropriated on Mar. 8 would, it was stated, enable the Kaifeng Committee to continue its work, since funds previously received were exhausted.

The report went on to say that much banditry and fighting was taking place in the region of Kaifeng and that "multitudes are desperate." As reported in last week's issue of *The Review*, the Kaifeng area has lately been the scene of fighting, Chinese forces endeavoring to recapture that city from the Japanese.

Allocation Criticized

In a report issued in February and signed, among others, by Mesdames Sun Fo and T. V. Soong for the Hongkong branch of the National Women's Relief Association, it was pointed out that most of the funds being raised abroad for civilian relief in China are being expended for the relief of refugees in the Japanese-occupied areas, while needy in the unoccupied areas—constituting, it was stated, the vast majority —have benefitted very little from these funds.

Criticizing the present method of allocation, the report said that in many cases relief expenditures benefitted the Japanese, presumably since the latter are relieved of the necessity to help the refugees whom they have themselves created.

The report goes on to state that there are now between 50 and 60 million "wandering refugees" in Free China for whom the Chinese authorities can make scarcely any provision due to lack of funds. "We feel sure that the disproportion in the distribution of foreign relief funds for Japanese-occupied areas and for Free China, is not the intention of the British and American donors," the report concludes, urging that something be done to redress the present lack of balance in the distribution of relief to the different areas.

Appeal for Orphans

In an appeal issued from Hongkong Mar. 28, Madame Sun Yat-sen told of a campaign launched by the China Defense League to establish orphanages for war orphans in regions where these do not exist. "There are millions of war orphans in China," she declared, "the children of our fighters who have given their lives for the independence of our country and the freedom of our people, the children of mothers and fathers who have been killed by bombs in our cities, the children of refugees who, driven from their homes by the invader, have died of disease or starvation before they could find a new home.

"To these are added other millions whose parents are still living but are unable to care for them, the little sons and daughters of the men and women at the front, and of countless uprooted, destitute and starving victims of Japanese imperialism.

"The children of our fighting people must not become a 'lost genertaion.' They must be saved from a hungry death, and from the physical and mental degeneration which will be the consequence of neglect."

Fire Destroys French Liner; Arson Suspected

Adding yet another vessel to the lengthening list of French ships destroyed or badly damaged by fire in recent years, the Transatlantic liner *Paris* burned and sank in the harbor of Le Havre last week shortly before she was due to sail for New York. Although the French police failed to discover any evidence of incendiarism, the view was widespread in France that destruction of the liner was the deliberate work of persons intent on injuring the country's maritime transport system.

A member of the crew, who was supposed to have been on watch on the night of Apr. 18 when the fire broke out, was arrested and charged with criminal negligence after being questioned by the police. It is alleged that he failed to make the prescribed rounds of the vessel, with the result that the fire, which apparently started in the ship's bakery, was not discovered until 11.30 p.m., by which time the flames had spread.

The chief of the ship's fire-fighting crew was killed when he fell down a ventilating shaft while directing his men.

The newspaper *Paris Midi* said that the Mayor of Le Havre had been informed two days before the fire that outrages were being planned against the *Paris* and the huge liner *Normandie* and that extra police precautions had been taken. *L'Intransigeant* claimed that the Secret Police had been similarly warned. *Ce Soir* declared the fire to be the work of those hoping to profit from the disaster, adding that the culprits were "certain foreign competitors."

Ten American military airplanes, brought from New York, but for some strange reason still not unloaded at the time the fire broke out (despite the fact that the vessel was about to sail back to New York) were removed before the ship sank—likewise numerous European art treasures being shipped to the New York World's Fair.

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FOREIGN CORRESPONDENTS:

NEW YORK, LONDON, BERLIN, PARIS, GENEVA, OSAKA AND HONGKONG

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

April 9

Kaoan, important town on Changsha-Nanchang highway, in northwestern Kiangsi, recaptured by Chinese forces (yesterday), according to official announcement at Chungking. Chinese report stated that Chinese airplanes bombed Japanese troop concentrations at Nanchang on April 7.

Two Japanese planes shot down in air-battle above Kunming, capital of Yunnan, yesterday afternoon. Pingyang in west Kiangsi, and Kinhwa in Chekiang severely airbombed by the Japanese yesterday, causing heavy casualties and much material damage to the latter city.

Fighting continues in Kiangmen in southern Kwangtung; the Japanese are attempting to strike inland towards Wuchow, important Kwangsi port on West River.

Henri Cosme, new French Ambassador to China, arrived at Shanghai from Chungking.

Japanese authorities in Peiping confiscate $70,000 worth of old legal tender notes as a result of the search of Chinese entering or passing through the Legation Quarter and in other parts of the city.

Japanese military authorities at Canton issue order, strictly prohibiting the sale and purchase of all kinds of metals. Severe punishment threatened to all those violating the order.

The Chinese Government, for the first 21 months of the war, from July, 1937, to March, 1939, paid out $198,764,508 for the service of foreign obligations, and £331,650,392 for the service of domestic loans, according to official figures revealed at Chungking.

More than 70 Chinese were executed by the Japanese in Canton on charge of being "thugs." Japanese military spokesman declared that anti-British agitation would not be tolerated in Canton and professed ignorance of anti-British posters there.

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April 10

General counter-offensive on all fronts reported by Chinese forces in Hupeh, Kiangsi, Kwangtung and Kiangsu provinces. Severe fighting breaks out in many places in the four provinces. Decision to open the offensive said to have been reached last week at a meeting of the Supreme National Defence Council at an unannounced place. Presided over by Gen. Chiang Kai-shek, the meeting was attended by all leading commanders of the various War Zones.

Chen Lien-shih, better known as S. G. Chen, British returned student, now a high official in the North China puppet regime holding the important post of superintendent of Tientsin Customs, assassinated last night in a movie. Charles Glauser, Swiss engineer in Tientsin, also killed by a stray bullet. Assailant escaped.

The National Government has decided to appropriate $40 000 000 to repair breaches in Yellow River dykes east of Chengchow.

Chinese guerillas active in Tazang, Shanghai suburb. Seizo Iwau, Japanese building contrator killed; was riding in motorcar.

Chou Fu-hai, former head of Central Publicity Council and chief henchman of Wang Ching-wei, reported to have arrived in Shanghai and set up an office in Hongkew. Said also planning a pro-Japanese publication.

April 11

As a result of the enforcement of military conscription in various inland provinces, a new army of one million men has been raised, according to Chungking dispatch. Press report of the Chinese general counter-offensive said premature, though it is admitted in Chungking that Chinese forces in several sectors have been ordered to make offensive moves for strategical reasons. Meanwhile, Chungking circles anticipate a determined Japanese offensive for the complete occupation of Canton-Hankow Railway.

Chinese forces in southern Shansi opened attacks against all Japanese lines yesterday, according to Japanese field dispatches received at Tokyo.

Japanese troops reported to have effected a landing at Taishingkai, on the coast in Deep Bay, four miles north of Hongkong border. Move believed designed to clear the Deep Bay region of Chinese guerillas.

The Chinese Government Purchasing Commission in London recently placed orders with British firms for £180,000 worth of construction material, of all sorts, for the Yunnan-Burma railway, work on which is being actively pressed forward.

Shih Shi-tai, Japanese-educated Chinese medical practitioner, now serving as "secretary" of the "Police Bureau of the Shanghai City Government," shot and killed by gunmen. One suspect, Feng Foh-lin, arrested by the Police.

Wu Tze-hui, veteran Kuomintang leader, in open letter to Wang Ching-wei, denounced him as a traitor for exposing state secrets in his recent statement issued at Hongkong and urged several punishment for him. Wang and his wife charged with conspiring to overthrow Gen. Chiang Kai-shek and conclude peace with Japan for the establishment of a new central government to be headed by Wang.

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April 12

Officially confirmed at Chungking that Chinese forces in south Shansi have launched a general offensive on Japanese positions there. Attack said begun on April 10. On same day, Chinese troops in Honan also started an attack on Kaifeng, capital of the province and claimed to have entered the city on following day. Street fighting raging inside Kaifeng.

Japanese field dispatches received at Tokyo confirmed the Chinese attack on Kaifeng, which was staged by some 1,500 Chinese troops under command of Gen. Sun Tung-hsuan in conjunction with some other 500 regulars who had been hiding in villages near Kaifeng. The dispatches claimed the Chinese attack repulsed after a furious Japanese counter-assault.

Kaoan, on Changsha-Nanchang highway, which was recaptured by the Chinese, again fell into Japanese hands (yesterday), according to Chungking report.

Gen. Liu Shih, Garrison Commander of Chungking, orders that evacuation of the populace of Chungking "must be completed before the end of May 31."

Japanese Consul-General Y. Miura requested C. S. Franklin, Chairman of Shanghai Municipal Council, to take action against anti-Japanese publications, mainly daily newspapers and magazines, published in the International Settlement. Names of the newspapers and magazines undisclosed.

Trade in narcotics and gambling licensed by Japanese authorities in Hankow, according to Reuter report from Hankow.

Sir Archibald Clark Kerr, British Ambassador to China, arrived at Hongkong from Shanghai en route to Chungking. Rumor rife that the British envoy is carrying with him Japanese peace terms transmitted to him by Sir Robert Craigie, British Ambassador to Japan.

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April 13

Fighting around Kaifeng and inside the city continues. Chinese troops, after entering the city, are now controlling the East Gate section, where street fighting is going on. Chinese troops also set fire to Japanese dumps and food depots near South Gate and damaged the water tower of Kaifeng's Power and Light Company. Outside Kaifeng, fighting is progressing along outer dykes of Yellow River.

According to foreign reports received at Peiping, a mutiny of puppet Chinese troops took place in Kaifeng on March 9, when a group invaded a meeting of the so-called Pacification Committee and killed six members, including Gen. Hu Yu-kun, the chairman, and Gen. Fu Shuang-ying, a former high officer in Manchurian army. The Japanese in Peiping admit that some 2,000 Chinese troops are attacking Kaifeng, but the report that Kaifeng is now in Chinese hands is unconfirmed by neutral sources.

Chinese guerillas active in South Shantung, where a few miles northeast of Taierchwang, some 2,000 members of the 8th Route Army attacked a large Japanese garrison and fighting lasted for 10 hours.

Squadron of Chinese airplanes raided Japanese positions at Tohsien, eastern Suiyuan, on April 7 and bombed Japanese troop concentrations, inflicting heavy casualties, according to Chinese report.

A large force of guerillas and volunteers commanded by Gen. Ma Chan-shan reported to have penetrated the Japanese rear in Manchuria and reached Chinchow, south-eastern Liaoning, along the Peiping-Mukden Railway.

Strong condemnation of Japan's oppressive measures against foreign traders in the occupied areas was made by Sir Robert Calder-Marshall, leading British merchant, in address before annual meeting of the British Chamber of Commerce in Shanghai. "Neither 'military necessity' nor solicitude for the welfare of foreign shipping can now be accepted as valid reasons for the complete closure of the Yangtse to foreign merchant vessels," he declared.

As a result of reorganization, the Chinese Air Force will soon have 500 planes for its first-line service, according to Chungking report. Recently, 100 Soviet planes were purchased from Soviet Russia and are now stationed at Lanchow, capital of Kansu.

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April 14

Situation at Kaifeng remains confused. According to military dispatches received at Chungking, Chinese troops launched a second attack on Kaifeng on April 12 and re-entered the city. Severe fighting continuing, with the Japanese bringing up more reinforcements. Kaifeng airdrome now occupied by the Chinese. Japanese casualties estimated at 700.

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Who's Who in China

Chen Chu-shan, Government official; born at Kweiyang, Kweichow, 1885; graduate of Waseda University, Japan; research fellow in Sociology, University of Michigan, U.S.A.: President of China National Institute, Shanghai; Head of Political Science Department, Peiping National Association for the Advancement of Popular Education; Senator of the

陳筑山
Chen Chu-shan

former Peking Parliament; advisor to the late President Li Yuan-hung; chairman of the Planning Committee of the Kwangsi Provincial Government; chairman of the Planning Committee of the Szechuan Provincial Government; member of the Committee for Civil Service Examination of the Szechuan Provincial Government; member of the Kweichow Provincial Government; now member and concurrently Chief Secretary of the Szechuan Provincial Government: author of several books on philosophy, logic and political theory; address: Szechuan Provincial Government, Chengtu.

Fighting also raging in central Hupeh, especially in the vicinity of Chungsiang and Yangchih on east shore of Han river.

Mengtze, in southeastern Yunnan, on Kunming-Hanoi highway, bombed twice yesterday by Japanese planes. Two main streets of the city set on fire and casualties believed heavy. During the raid, a passenger plane belonging to Eurasia Aviation Corporation shot down by Japanese aircraft, while flying from Hanoi to Kunming. All passengers reported safe, but pilot slightly injured.

Strict control of anti-Japanese newspapers and magazines of foreign management published in the International Settlement of Shanghai requested by Yoshiaki Miura, Japanese Consul-General, when he visited Sir Herbert Phillips, British Consul-General, and Clarence E. Gauss, American Consul-General, this afternoon.

Yao Chih-an, secretary of the "Public Affairs Bureau" of the puppet Kiangsu provincial government in Soochow, assassinated at Soochow yesterday, according to Japanese report. Another puppet official, Sheng Ke-an, commander of a so-called "self-defence Corps," killed by guerillars on April 9.

National Government officially announced the flotation of the Reconstruction Bonds to the value of $600 000,000 for financing reconstruction projects.

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April 15

As the result of severe fighting in past few days, Chinese troops have partially occupied Tsengcheng, northeast of Canton. Heavy fighting proceeding at many places in Kwangtung, but the planned large-scale offensive said not yet launched.

Japanese dispatches from Kaifeng received at Peiping claimed that Chinese troops attacking the city had been driven off, but admitted that fighting was still in progress about four miles south of the city.

Chinese guerillas launched surprise attack on Hsuchow in Northern Kiangsu two days ago, causing interruption of train service on Tientsin-Pukow Railway.

Chinese troops, on April 6, destroyed four bridges on Tientsin-Pukow Railway, between Taian and Koshan, south-west of Tsinan, according to Chinese report.

During Chinese attack on Tatung, south Shansi, recently, some coal mines were flooded and Peiping-Suiyuan Railway cut.

Japanese claimed capture of Kaochun, 80 kilometers south of Nanchang, on April 9.

London newspapers give prominence to the Chinese counter-offensive, which some correspondents describe as involving 1,500,000 troops over a 1,500 mile front. Such vast operations believed to be causing the Japanese considerable anxiety. Both Chinese and Japanese circles in London watch closely the present visit to Chungking of the British Ambassador, Sir Archibald Clark Kerr.

Flotation of the Military Supply Bonds to the amount of $600,000,000 officially announced by the National Government.

General Hata Dies of Wounds, Report Claims

General Shunroku Hata, former commander-in-chief of the Japanese forces in Central China, recently died in Tokyo of bullet wounds he sustained during his visit to the front at Yochow on November 15 last year, according to an alleged report from Tokyo quoted in a Hongkong message to the Shanghai *Morning Leader* on Apr. 22.

Japanese Begin Removing Barricades in Tientsin

Japanese soldiers started Apr. 22 to remove the barbed wire barricades surrounding the British Concession in Tientsin, according to a *Reuter* report, which stated that this was regarded as a step toward better relations between the Japanese and British authorities in the northern city.

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Men and Events

Randall Gould, editor of *The Shanghai Evening Post*, has returned from a trip to Chungking. He traveled by airplane from Hongkong to the Chinese capital.

*

Three trans-Pacific steamship lines, American President Lines, Canadian Pacific and Nippon Yusen Kaisha, agreed on April 18 to reduce the round-trip fare from the U. S. Pacific Coast to the Orient, to the present price for a one-way ticket. The new rate will be in effect during April and May and passengers may sail from San Francisco, Los Angeles, Seattle or Vancouver.

*

The Japanese Government has just announced the appointment of Tsutomu Nishiyama, a director of the Yokohama Specie Bank, as Financial Commissioner to the United States. It will be the first time that Japan has been represented by a full-time financial commissioner in America, the previous appointee, Shoji Arakawa, having been financial commissioner to United States, Britain and France.

*

Dr. Chow Liang-chun, formerly connected with the Health Department of the International Settlement, has joined the medical staff of the National Leprosarium, or hospital for the treatment of leprosy, at Shanghai, located temporarily at 16 Brenan Road. There are now 100 patients in the institution, most of them in destitute condition. Dr. S. C. Wu of Nanchang is physician in charge.

*

The American Advisory Committee at Chungking, voted on April 20, to contribute the sum of $350,000 toward the development of industrial cooperative societies in China, according to *United Press* report. The Committee also voted to donate the sum of $2,000 monthly, until the end of the present year, for the maintenance of an isolation hospital for scarlet fever patients at Kunming. It was stated that a severe epidemic of scarlet fever now prevails in Yunnan.

*

Six nurses, two of them men, received diplomas at the recent graduation exercises of the Nursing School of Foster Hospital at Chowtsun, Shantung. The Rev. W. P. Pailing of Cheloo University will serve as acting superintendent of Foster Hospital during the absence on leave of Dr. W. S. Flowers. According to a correspondent the hospital constantly receives cases of wounded civilians resulting from Japanese activities including the bombing or burning of cities. Recently the Japanese burned seven Chinese villages located west of Chowtsun, allegedly because they had harbored guerillas.

*

The American Asiatic Underwriters, of which C. V. Starr is President and Director, has denied a report published in the Japanese paper *Mainichi* alleging that the Company planned to open a branch office in Nanking. The report in the Japanese paper claimed that a Chinese connected with the Company named Chien Hsi-lin, had petitioned the Bureau of Social Affairs of the "Reformed" Government, for permission to open an office for the well known American firm. Officials of the Company claimed that the report had originated with independent insurance brokers, who were trying to obtain business in Japanese-occupied territory. C. V. Starr, President of the company, who is also owner of *The Shanghai Evening Post*, is now in the United States.

Col. Charles Lindbergh, who returned to the United States recently after long residence in England, has been commissioned to make a survey of America's aviation facilities on behalf of the Army Air Corps. He will visit all aviation factories, training schools and centers in the country. Col. Lindbergh in recent months has made surveys of aviation facilities in Russia, Germany and Great Britain and is expected to advise President Roosevelt on aviation development. He conferred with the President on April 20.

*

The Chinese authorities have arranged for the expenditure of between U. S. $7,000,000 and $15,000,000 on new warplanes, engines and equipment, according to *Reuter* report from New York. China's purchase contracts, according to the report, call for the purchase of 100 or more planes, including 54 Seversky single-seater pursuit planes, capable of flying 300 miles an hour. The planes probably will be shipped to the new assembly field in Yunnan by way of the new Burma Road.

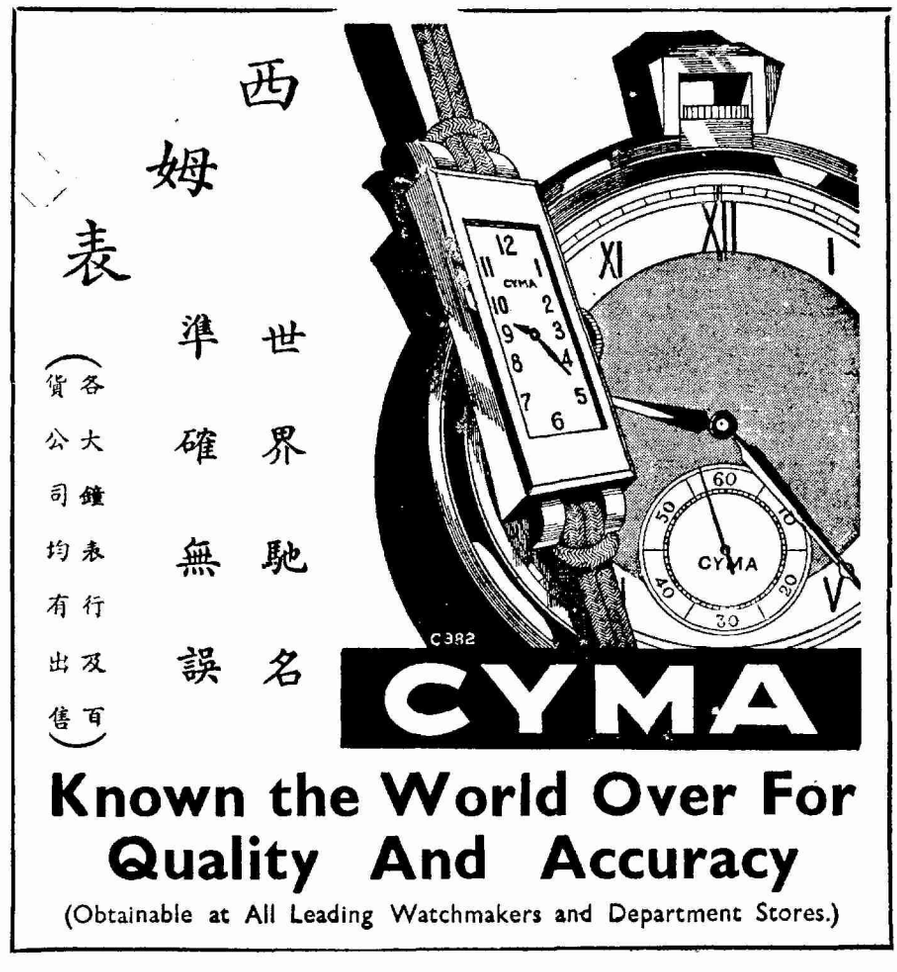
*

Demaree Bess, for many years correspondent for *The Christian Science Monitor* in China and Japan and later in Moscow, has been appointed correspondent in Europe for *The Saturday Evening Post*, oldest and best known American magazine. Mr. Bess has recently been stationed in Paris and Geneva, but will relinquish his work for the *Monitor* upon the arrival in that city of William Henry Chamberlin, previously stationed in Tokyo. Mr. Bess will then make his headquarters in Geneva but will travel extensively. Mr. and Mrs. Bess are well known in Shanghai, where they resided for several years. Mr. Bess is a nephew of the Rev. Dr. John Lyon Caughey, pastor of Community Church.

Dr. Lin Yutang, author of "My Country and My People," and "The Importance of Living," has returned to the United States after several months' residence in France. A third book by Dr. Lin is shortly to be published, according to report.

*

More than 300 Chinese and foreign friends and relatives attended the funeral services at Community Church on Saturday afternoon, for the late Dr. John Y. Lee, well known Chinese educator and social worker. Dr. Lee died at his home at No. 236 Route Boissezon on Thursday, April 20, following a long illness resulting from cancer. He was 55 years of age and was born in Canton, the son of the Rev. and Mrs. Lee Tsai-liang. Dr. Lee received his early education at the Pui Ching Baptist Academy, which was founded by his father. He went to the United States with his parents when 11 years of age and entered Morgan Park Academy, later entering Chicago University where he was graduated in 1907. He was a member of Phi Beta Kappa and Sigma XI scholarship societies. After completing his studies at Chicago, Dr. Lee served for a time as Assistant Professor of Physics while taking his graduate degrees of M. A. and Ph. D. He returned to China in 1917, joining the Y. M. C. A. as general secretary of the National Committee. Later he became chairman of the Board of Shanghai University. He is survived by Mrs. Lee and two daughters, Ellen Grace and Beatrice Dorothy. Aside from his connection with educational work, Dr. Lee was a member of the Government Silk Testing Bureau and for a time was active in business in Shanghai. Dr. Lee's friends and relatives have suggested that contributions be raised for endowing the Sung Tak Girls School as a memorial.



The University of Michigan Alumni Club held a dinner at the Winter Garden on Jessfield Road on Friday evening, April 21. More than 60 were present.

*

Dr. D. J. Collins, American dentist, has returned to Shanghai from a trip to Chungking where he treated Gen. Chiang Kai-shek and other members of the Generalissimo's family for dental ailments. Dr. Collins has been Gen. Chiang's dentist for several years. He traveled to Chungking by airplane from Hongkong.

*

Several leading Chinese banks, which have branches in Hongkong, have arranged to establish branches in Rangoon, Burma, due to the opening of the Kunming-Burma Road. According to *United Press* from Hongkong, the Central Trust and Central Bank are both opening offices in Rangoon.

*

"In 1937 Japan imported from the United States, U. S. $2,800,000 worth of Singer sewing machines. In 1938, Japan's imports of American machines slumped to $125,000, the reason for the drop being that Japan herself has begun the manufacture of sewing machines—using American scrap-iron. Japan also began, in 1938, to export sewing machines, some $300,000 worth, of which $2,000 worth entered the United States."—*Business Week*, Feb. 25.

*

The Board of Trustees of the China Foundation for the Promotion of Education and Culture, which has charge of the administration of the American portion of the Boxer Indemnity, held a meeting in Hongkong on April 20. Among those attending the meeting were Dr. Sao-ke Alfred Sze, former Chinese Ambassador in Washington, Dr. John Earl Baker of Shanghai and Dr. Paul Monroe of Teachers College, Columbia University, N. Y.

*

According to report of the Soviet *Tass* agency large numbers of Russian farmers from various parts of the Soviet Union, have begun to migrate to the fertile lands of the Ussuri River valley in eastern Siberia. The territorial settling department of the Maritime territory received 400 applications for permission to settle in the Ussuri region, according to the report. The Government is fostering the organization of collective farms in the district.

*

A camel in the Kyoto Zoo bit and kicked a Japanese to death on April 23. The man, Zenroku Suzuki, an employee of an electrical company, had been drinking heavily when he entered the cage and attempted to thrash the camel. The report stated that the camel was not vicious, but in this instance the animal, a female, was an expectant mother and defended herself against the intruder in her cage.

*

A report from Tokyo. on April 21 stated that the United States might shortly call a conference of representatives of Britain, France, Germany, Norway, Japan and other countries, with the object of determining jurisdiction over lands of the Antarctic regions where conflicting claims are producing international irritation. It was claimed that the State Department had appointed Rear-Admiral Richard E. Byrd, noted Antarctic explorer, to make another survey of the regions about the South Pole, where Germany and Japan have both made recent claims to lands said to have been discovered by Admiral Byrd. Interest in the subject has become acute due to intensification of whale-fishing owing to the need of whale-oil in certain war industries and activities.

Michel Breal, manager for the French *Havas* news agency in the Far East, stationed in Shanghai, departed on Tuesday on a trip to Chungking.

*

The Nichols Chinese Rug Company in Tientsin has cancelled its agency arrangement with the Shanghai firm of Hoggard and Sigler, well known dealers in Chinese art objects and curios, according to notices published in Shanghai newspapers this week.

*

According to *United Press* from Berlin, Jews now departing from Germany will not be required to surrender gold dental work which is in use. It also was stated that wedding rings, gold and silver watches, silver objects weighing not more than 8-ounces and sufficient silver-ware averaging 8 pieces for each person, may also be taken from the country.

*

L. G. Baranovsky, well known Russian merchant in Shanghai, has gone to the United States where he plans to reside in future. He was accompanied by his son and daughter, but Mrs. Baranovsky will remain in Shanghai for a time in order to supervise her husband's firm.

*

Kho Sin-kie, Chinese tennis star, was the best player and won the final round of the men's singles in the international tennis tournament at Rome on April 23. Kho played against the Rumanian Tanasescu. In the doubles, Kho was not supported strongly by the Italian player de Stefani, resulting in a victory for the Italian team Vidocu-Celli.

*

Dr. P. F. Greene, member of the staff of the Yale-in-China Hospital at Changsha, was compelled to travel 1,000 miles extra on his return trip to Changsha from Shanghai, because of the Japanese occupation of Nanchang and cutting of the Chekiang-Hunan Railway. Dr. Greene, who had been in Shanghai obtaining medicines and hospital supplies, was returning by way of Ningpo, when he heard of the Japanese drive on Nanchang. Dr. Greene was accompanied by several Catholic priests and nuns and a number of German and Austrian Jewish physicians who are joining mission hospitals in West China. Owing to his inability to return to Changsha by way of the railway, Dr. Greene proceeded by truck to Kinhua, present capital of Chekiang, and thence by tortuous detour of 1,000-miles, he finally reached his destination on April 19.

*

The following persons have been nominated for positions on the executive committee of the American Association, Major Arthur Bassett, J. W. Carney, Mrs. O. L. Dawson, J. Fistere, P. S. Gilman, Randall Gould, J. M. Hykes, Wilber Judd, W. J. Kelly, Mrs. R. T. McDonnell, J. S. Potter, J. T. S. Reed, F. J. Twogood, E. C. Zacharias. The five receiving the highest number of votes will serve for three years, while those receiving the next highest will serve for one year. Members of the present committee who have been carried over from the preceding year are, W. A. Adams, N. F. Allman, P. M. Anderson, C. S. Franklin, Dr. J. C. McCracken, W. H. Putnam and W. P. Roberts. The nominating committee which proposed the foregoing candidates was composed of the following, W. P. Roberts, Mrs. A. M. Dunlap, F. L. Hawks-Pott, J. B. Davies, R. J. Monical, P. H. Bordwell, F. J. Twogood, M. M. Bates, C. J. Doughty and B. M. Smith. W. A. Adams is honorary secretary of the organization.

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88-317

Paul R. Josselyn, former U. S. Consul-General at Hankow, who has been in the Philippines on vacation, passed through Shanghai this week on his way to Vancouver where he will be stationed in future. He was accompanied by Mrs. Josselyn and their daughter Margery.

*

The Edgewater Beach Hotel at Tsingtao, operated by an American company, has been sold to Japanese interests. The hotel was constructed several years ago by foreign and Chinese interests at Tsingtao and Shanghai, but has never been profitable because of the complications resulting from the Sino-Japanese crisis.

*

Dr. Paul Monroe, for many years head of Teachers College, Columbia University, New York, and one of the outstanding authorities on education in the United States, will arrive in Shanghai on Sunday morning, April 30 and will spend a few hours here while his ship, "Empress of Russia" is in port. He will be the guest of American and Chinese friends while in the city. Dr. Monroe was born at North Madison, Indiana and received his education at Chicago, Franklin College, Heidelberg, Columbia and holds an LL.D. degree from the University of Peking. He has served on numerous international educational missions and has been an active member of the China Foundation for several years. He recently attended a meeting of the Foundation in Hongkong and is on his way home.

Every mother watches her boy's physical and mental development with the thought—"what sort of man will he be?" and she knows that the answer to this question is largely dependent upon his freedom, or otherwise, from ill-health during the formative years. It is for this reason that Baby's Own Tablets are to be found in so many thousands of homes where there are children, because they are just the treatment needed speedily to correct stomach and bowel disorders which are the usual source of childhood ailments.

Administered at the first signs of trouble, the mild laxative action of the tablets gently removes any offending matter and restores regularity.

The prescription of an eminent British physician and guaranteed pure and safe for the youngest infant as well as for older children, the tablets are unsurpassed for the treatment of constipation, infantile indigestion, vomiting, 'wind', colic, simple fever, colds and worms; at teething time they are especially beneficial, settling the stomach, quickly easing the pain and promoting sleep. Safeguard your children's health with Baby's Own Tablets. Obtainable at all chemists.

88-318

Mrs. M. J. Harris, wife of the correspondent of *The Associated Press* at Shanghai, has gone to Japan for a short vacation.

*

C. F. Cress, executive manager of the Far Eastern Division of Chrysler Export Corporation, is in Shanghai on a trip through the Far East. He is accompanied by Mrs. Cress.

*

A party of 14 German journalists on a world tour passed through Shanghai this week enroute to Japan and Canada—and possibly the United States—according to the announcement of the leader of the party, Admiral Foister, of the German Navy. While in Shanghai the party was taken on a tour of local battlefields by Japanese military escorts.

*

H. J. Timperly, who served for many years as correspondent for the *Manchester Guardian* in China, departed this week for London where he plans to reside for some time. Mr. Timperly recently returned to the Far East after several months spent in the United States and Europe lecturing on the situation in the Orient.

*

Edgar Ansel Mowrer, correspondent for *Chicago Daily News*, who was expelled from Italy on April 24, is the author of the recently published 215 page book, "Mowrer in China," which described his trip to China last year. Mr. Mowrer is also the author of "Germany Puts the Clock Back." Mr. Mowrer succeeded in Italy, Frank Smothers, who also was expelled by Mussolini.

*

The Japanese military authorities, on Monday of this week, forced the Jewish refugees to cease operating three buses in Hongkew, which were being used to transport members of the refugee camps back and forth from the downtown section of the International Settlement. The Japanese alleged that the buses were accepting paying passengers. Japanese buses operating in Hongkew do not have municipal licenses.

*

Del Goodman, Manager in the Orient for Twentieth-Century Fox Films, passed through Shanghai recently from Indo-China, where he made an extended tour, on his way to the United States where he will spend a long leave. Mr. Goodman has been stationed in Shanghai. V. E. Lepato, who is now in charge of the local office of Twentieth-Century Fox Films, has announced that the super-production in Technicolor, "Jesse James," will be screened in Shanghai at the latter part of May. Eric Mayell, Movietonews cameraman who was one of the two newsreel cameramen aboard the U.S.S. Panay when it was bombed and sunk in December, 1937, left Shanghai with Mrs. Mayell for Korea where he plans to make a "Magic Carpet" travelogue.

*

Joel Rosenfeld, 32 years of age, who has been engaged in the fur business in Shanghai for several years, was found dead in his office at 131 Museum Road, on Monday morning, April 24. Mr. Rosenfeld's Springfield S. V. C. rifle was lying beside his body. Several letters found among his effects, addressed to relatives and friends, indicated his intention of committing suicide, the reason being bad business. It was reported that restrictions on the export of furs from Tientsin had caused him to suffer heavy losses. Mr. Rosenfeld was born in the Bronx, New York and was a son-in-law of A. Strok, impresario. He is survived by his wife, Mrs. Luba Rosenfeld and a four-year-old daughter, Liane. Funeral services were held on Wednesday, April 26.

Chiang Orders Special Protection for Newsmen

General Chiang Kai-shek, president of the Military Affairs Commission, has issued a circular order to the various local military and civil authorities throughout the country, enjoining that special protection be accorded to newspapermen in order to facilitate the performance of their work, according to *Kuo Min*. This order is issued in pursuance of a resolution adopted by the Second General Session of the National People's Political Assembly, which urged the government to give special facilities and protection to journalists so as to facilitate the development of the newspaper enterprise in this country.

*
**

Tokyo Journalist Dies in Battle on Hainan

Shot in the chest while venturing too close to the front lines in his zeal to cover the operations of Japanese forces, Masatsugu Taketa, 30-year-old correspondent of the Tokyo *Asahi*, was killed Apr. 21 during an engagement with Chinese troops in the vicinity of Lingshui, on the eastern coast of Hainan Island, *Domei* reported.

Soviet Navy Commissar Is Now Reported Missing

M. Frinovsky, Commissar of the Soviet navy, has been added to the long list of Russia's "missing personalities" according to a *Transocean* message dated from Moscow Apr. 19, which said that rumors of the Commissar's removal from office were increasing. Frinovsky, the agency said further, was previously the "right-hand man" of Nikolai Yezhov, former G.P.U. chief. His downfall is attributed by *Transocean* to his having come into "personal opposition" to the present G.P.U. head, Lavrenti Beria, as well as Lazar Kaganovitch, a member of the Politburo of the Communist Party.

From the same source it was reported Apr. 13 that the Public Prosecutor of the Soviet Union, A. Y. Vishinsky, has been instructed to "consider the material compiled against Yezhov," who, after being deposed as head of the G.P.U. became Commissar of Water Transport, from which latter post, only recently, he was also removed. *Transocean* said that Yezhov was being held responsible for utter lack of discipline in the water transport organizations, while it was further alleged that he was unable to account for large funds to which he had access while head of the G.P.U.

Franklin Re-elected As Chairman of the S.M.C.

At the first meeting of the recently-elected Shanghai Municipal Council, held on Apr. 20, C. S. Franklin was re-elected chairman, with W. J. Keswick as vice-chairman in succession to Brig.-Gen. E. B. Macnaghten, retiring member of the Council. The Chinese Ratepayers Association notified the Council that it had elected as Chinese Council members Messrs. Yu Ya-ching, L. T. Yuan, Eugene Y. B. Kiang, W. Gockson and Yulin Hsi for the Council year 1939-40. The annual meeting of Settlement ratepayers was held in the Grand Theater Apr. 19, with 297 persons attending. Messrs. Robert L. Stewart and R. D. Chisholm (publisher of *Shopping News*) used the occasion to criticise Council policy in a number of matters.

New Books of Interest in the Far East

Propaganda Battle

PROPAGANDA FROM CHINA AND JAPAN—By Bruno Lasker and Agnes Roman. Camden, N. J. 1938. pp. 118. U.S.$1.50.

It was not until the Great War that the importance of propaganda in molding public opinion was fully realized. By the end of the war, armies of skilled propagandists were at work in every country, turning out reams of printed copy designed to maintain morale at home and to shatter it beyond the opponent's frontiers.

The advent of radio, the vast growth of the cinematographic industry, and the progress (if one chooses to call it that) of journalism in the post-bellum years have made the work of the propagandist more strenuous, but have enabled him to reach an immeasurably wider circle than ever before.

The growing complexity and diversity of propaganda appeals have naturally necessitated a greater capacity to distinguish truth from propaganda. Democracy is supposedly governed by the people themselves, who are conscious of the problems facing them and capable of dealing with them. In practice, however, the masses are at the mercy of highly-skilled propagandists who guide public opinion in the channels desired by their powerful employers.

In no case is this truer than in the case of war; in no country is it truer than in the United States. With Europe and Asia aflame, strong pressure is being applied on the American public to take sides in the current disputes, even to the extent of shouldering arms on behalf of one or the other of the foreign combatants. Pro-Russian propagandists are seeking to convince the American public of the need of cooperating with the Soviets in the maintenance of world peace; the Nazis are spending millions of dollars to persuade the Americans that President Roosevelt is a tool of world Jewry and that in alliance with Hitler alone is there a chance of saving the world from Bolshevism; Britain is busy, seeking to put the United States' Anglo-Saxon origin to good use in getting that nation to help the British to save their Empire.

So are China and Japan, engaged in a life-and-death struggle with each other, making desperate efforts to gain the sympathy and aid of the United States. The appeals they use are expertly dissected in Mr. Lasker's and Miss Roman's study of literary propaganda distributed in the United States between July and December, 1937.

The book is significant not only as a study of peculiarly Japanese or Chinese methods, but as a general inquiry into propaganda, for the appeals and methods employed by the two Asiatic combatants are easily discerned in propaganda flowing from other parts of the world.

The methods used by propagandists, to employ general terms, include "innuendo and association, careful choice of the ground on which a given case is argued, coloration of statements of fact, concealment no less than emphasis, the use of stereotypes and many other devices."

After a well-documented demonstration of each of these methods, the authors conclude that "it lies in the nature of our pre-existing attitude that the Japanese 'case' necessarily is more defensive than the Chinese, for example. It also lies in the nature of that attitude that the Japanese appeal is necessarily less concrete than the Chinese. Both try to link their case to what they assume to be our national ideals; but the Japanese propagandist, in order to do so at all effectively, must needs adopt a more mystic reference to general human desires, while the Chinese can talk of democracy and world cooperation for collective security."

Turning to the Chinese spokesman, the authors find that he "has the advantage that all his charges of aggression against the national enemy relate to events that are recent, dramatic, common knowledge; the Japanese charge of aggression against China, such as it is, relates to a multitude of small acts, distributed over a long period, which many Americans have forgotten if they ever heard of them at all. It is easier to symphathize with people who have been bombed out of their homes by a foreign foe than with people whose livelihood is interfered with by foreign machinations, but who still live in relative security."

The authors scrupulously avoid taking sides in the conflict. Their goal was to analyze the appeals employed by Japan and China and to point out their strong points and weaknesses, so as to enable an intelligent American to separate grain from chaff. In this the authors have succeeded admirably. Their work is a useful addition to the already long list of studies of the propaganda technique.

G.

Background Studies

SHADOW OVER EUROPE: THE CHALLENGE OF NAZI GERMANY. By Shepard Stone. 17 maps by Emil Hurlin. Headline Book No. 15. N.Y. Foreign Policy Association, 1938, 97 pages, U.S.$0.25.

BRICKS WITHOUT MORTAR: THE STORY OF INTERNATIONAL CO-OPERATION. By Varian Fry. Illustrations by Delos Blackmar. Headline Book No. 16. N.Y. Foreign Policy Association, 1938. 96 pages. U.S.$0.25.

These little books from the Headline Series of the Popular Education Department of the Foreign Policy Association well deserve the wide popularity which they enjoy. Their purpose is to present an unbiased historical background for the international problems which make up the headlines in the daily press. Their advantage lies in their preparation by an expert, the simplicity of treatment, the maps and illustrations, and the lists of suggested readings on the topic under discussion.

The book on Germany, for example, traces the history of the German peoples from the time of the Roman Empire. There are adequate sections on the rise of Prussia, the creation of Bismarck's reich, the years of the World War and the peace treaties. The development of the Nazi movement and the subsequent reorientation of European politics occupy the second half of the book.

Bricks Without Mortar shows the development of the modern nation from the feudal domains of the middle ages and the beginnings of cooperation between states. The author explains how this need for cooperation brought about the practice of diplomacy, international law and the doctrine of the balance of power. The conference method which stemmed from the Congress of Vienna after Napoleon's defeat was recognized as a permanent ele-

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In the United States Court for China

CLARENCE WILLIAM WARD *Plaintiff* vs. MARY ELIZABETH WARD, *Defendant.*	Cause No. 4395 Civil No. 2274 ORDER. Filed at Shanghai, China, April 14, 1939. WILLIAM T. COLLINS *Clerk.*

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 14th day of April, 1939, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 11th day of April, 1939, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 14th day of April, 1939, the plaintiff herein field an affidavit to the effect that the defendant does not now reside in China, nor has she resided therein since, and that defendant's last known address was 2216 River Avenue, Camden, New Jersey

NOW, THEREFORE, it is this 14th day of April, 1939, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the *China Weekly Review*, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 6th day of May, 1939, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court:
Dated at Shanghai, China,
this 14th day of April, 1939.

MILTON J. HELMICK,
Judge.

ment of the western state system when the League of Nations was founded. After the Hague Peace Conference of 1899 four methods for peaceful settlement of disputes were regularized: arbitration, mediation, "good offices" and commissions of inquiry.

A discussion of the League of Nations in both its political and technical fields is given. The need for international conventions, even by dictators, is shown in such fields as international mail, undersea cables, harmful drugs, telegraphs, and disease. It is interesting to find a hopeful note in the present discouraging period in international relations.

F.M.R.

Ben Hecht Writes Again

Ben Hecht, who hasn't written a novel since 1932, has just finished seven short novels averaging 35,000 words which the Viking Press will publish in one volume, *A Book of Miracles*, in June.

U. of Michigan Students To Tour Japan and Colonies

The Institute of Far Eastern Studies of the University of Michigan has announced a summer tour to the Orient, according to report from Ann Arbor on April 17. The party, consisting of 10 or 12 students, under the direction of Prof. Robert B. Hall, geographer and director of the Institute, will visit Japan, Korea, North China and Manchukuo.

There was no mention of a visit to Shanghai or parts of China under Chinese control.

The tour will begin on June 26 and extend to August 18. Considerable time will be devoted to the study of the Chinese, Japanese and Russian languages. Chinese courses are given by Prof. George Kennedy of Yale, Japanese courses by Joseph K. Yamagiwa and Russian by Mme Lila Pargment. The report stated that the University of Michigan had established itself as a center for Far Eastern studies in the past two years.

Why You Should Weigh Yourself Regularly.

Your weight is a good indication of your general health; any considerable variation either up or down should be viewed with concern, Therefore, weigh yourself regularly and you will be forewarned of approaching health troubles.

Loss of weight, accompanied by failing strength and a sallow complexion, is a sign that your blood is impoverished, a condition which, if not at once corrected, leads to nervous disorders, insomnia, headaches, backaches, enfeebled digestion, loss of appetite, depression and similar ills.

To build up the blood and thereby to regain weight and energy, to revitalize the nerves, tone up the digestive organs and to restore physical strength, health and happiness, there is nothing better than the world famous tonic remedy, Dr. Williams' Pink Pils.

The prescription of a British physician, these pills have proved in countless cases the means of restoring vibrant health to both men and women who formerly suffered from one or other of the many ailments resulting from an impoverished condition of the blood. All chemists supply Dr. Williams' Pink Pills. Begin your cure to-day.

88-320

Japanese Officer Assaults S.M.P. Commissioner After Fatal Accident

THE generally truculent behavior of the Japanese controllers of Shanghai "North of the Creek" was sharply underlined on Monday night of this week in the actions of members of the Special Naval Landing Party in connection with a tragic traffic accident in which Bertram Lillie, principal of the Lester School and Henry Lester Institute of Technical Education was killed, and his wife and Sergeant R. J. Wimsett of the Shanghai Municipal Police seriously injured. A fourth casualty, a Japanese sentry, was so badly injured that he died the following day.

Conflicting accounts of the mishap have been given by eye-witnesses and by spokesmen for the Japanese, but the main facts seem to have been fairly well established by reports in the daily press which have agreed in most of the essential particulars.

Mr. Lillie and his wife were driving in a Ford sedan, with Sergeant Wimsett in the rear seat, when their car collided with a Japanese-owned bus at the intersection of Broadway and Boone Roads in Hongkew. The bus apparently hit the car broadside on with a terrific impact. Mr. Lillie died almost instantly, his wife suffered severe face lacerations and shock, while Sergeant Wimsett sustained a fractured left leg and several rib fractures. Mr. Lillie and his wife had only that day returned from a trip to Europe.

Japanese Arrogance

A municipal ambulance rushed the trio to the General Hospital and there, according to eye-witnesses on the spot, members of the Japanese Naval Landing Party who had followed put on a remarkable display of that insufferable arrogance for which the armed fores of Dai Nippon have become notorious. A Landing Party officer insisted on questioning the injured although they were on the operating table and in a semi-conscious condition. Only the firm attitude of doctors and nurses prevented them from doing so.

A. H. Samson, Assistant Commissioner of the Shanghai Municipal Police, was at the hospital, and according to press reports the following morning was assaulted by a Japanese officer who struck him under the ear with his clenched fist for no apparent reason. At a press conference the following day, a spokesman for the Japanese military referred to this as a "minor" incident. He admitted, however, that the circumstances in which the traffic accident had taken place would not in any case justify such an assault.

Navy Spokesman's Version

Precisely how the accident occurred—it happened around 9 p.m.—will not be known until the two surviving victims, both British subjects, have recovered sufficiently to give their versions. According to the Japanese navy spokesman, the ill-fated car crossed the bridge over Hongkew Creek at about 9.20 p.m. travelling west, hit a barbed wire barricade at the sentry post, and then proceeded although ordered to stop. The car proceeded about 100 meters and then was stopped by an S.M.P. constable near the intersection of Boone Road and Broadway, still dragging the barricade which it had struck.

The constable (presumably Sergeant Wimsett), the spokesman said, boarded the car, which then returned to the bridge over Hongkew Creek, passed the remaining barricade, and then turned around. The Japanese sentry, through a Japanese civilian who spoke English, asked the driver, Mr. Lillie, why he had not stopped the car when challenged. Paying no heed to the sentry, the spokesman alleged, the driver again started off over the bridge, but a Japanese sentry on the other side of the road jumped on to the running board and called on him to stop.

Then, it was alleged further, the driver drove on in a zig-zag manner in an apparent effort to dislodge the sentry from the running board and ran into a bus being driven along Broadway. In the collision with the bus, the Japanese sentry was crushed between the two vehicles, sustaining skull injuries from which he died.

An inquest into the death of the late Mr. Lillie, one of China's best-known educators, was opened in the British court on Tuesday and adjourned *sine die*. The Shanghai Municipal Council is reported to be studying the facts of the assault on its Assistant Police Commissioner. What action will be taken, if any, has not been indicated.

Large Cotton Mill Reopened in Tsingtao

Marking a major stride towards the rehabilitation of the Japanese cotton spinning industry in Tsingtao, the fifth plant of the Kangafuchi Cotton Spinning Company, largest concern of its kind in Japan, was reopened Apr. 23, *Domei* reported.

Last among nine Japanese cotton firms in Tsingtao to resume operations, it was idle for sixteen months after the dynamiting of its property by Chinese troops in December, 1937. Japanese mills in Tsingtao are now equipped with more than 320,000 spindles, 26,000 twisters, 5,500 cotton power looms, representing 80 percent of the licensed capacity of 395,000 spindles, 32,000 twisters, and 7,100 power looms, the Japanese agency said.

Plans are being made to increase equipment by 500,000 spindles so as to reach the goal of 900,000 spindles which were operated before the outbreak of the China conflict. Factory hands employed by Japanese mills in Tsingtao number more than 13,000 at present. They are expected to reach 15,000 by the end of April. This, however, would still be less than the pre-hostilities figure.

American Cracked Wheat Popular Among Refugees

Cordell Hull, U.S. Secretary of State, has wired Wilber Judd, secretary of the American Red Cross Advisory Committee, that another large shipment of American wheat is being dispatched to China immediately. The shipment, consisting of wheat which has been "cracked," meaning that it has passed through the first process of milling, will include 4,000 bags for the Canton International Red Cross and 8,000 bags for distribution by the American Advisory Committee in Shanghai. The shipment will be carried on the Pioneer Line motor-vessel "Potter," and will be distributed immediately upon arrival.

The previous shipment of cracked wheat, received here and at Canton several weeks ago has practically all been distributed. It consisted of approximately 1,500 tons, of which 500 tons was distributed among Chinese refugees in Canton. The 500 tons were transported from Hongkong to Canton on American and British gunboats due to the refusal of the Japanese military to permit non-Japanese cargo steamers to operate on the Pearl River.